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# The Statist,

A Journal of Practical Finance and Trade.

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## SALES BY AUCTION.

**JOHN HOARE AND CO.**  
will Offer for SALE by PUBLIC AUCTION  
at the WOOL EXCHANGE, Coleman Street,  
E.C., on Saturday, 3 July, Tuesday, 13 July,  
Thursday, 22 July, and Friday, 27 July:—

1,000 „ AUSTRALASIAN WOOL  
200 „ PUNTA ARENAS „  
1,500 „ PERUVIAN „  
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1,500 „ ENGLISH WOOL (specially  
classified)

Catalogues in due course of JOHN HOARE  
and CO., 73 Basinghall Street, London, E.C.

**JACOMB, SON and CO.** will  
OFFER BY AUCTION at the WOOL EX-  
CHANGE, Coleman Street, E.C., on Thursday,  
1st, Friday, 9th, Saturday, 17th, Friday, 23rd, and  
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WOOL—21,000 BALES COLONIAL.

Catalogues and further particulars of the  
Brokers, Moorgate House, 61 Moorgate Street,  
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Chilian Dollars.

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Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.

The London Agency transacts every class of Bank-  
ing business with Chile. Current accounts also  
opened and deposits received.

## THE RUSSO-ASIATIC BANK.

Incorporated by Imperial Russian Government  
Decree.

Capital Authorised Rbls. 55,000,000  
Do. Subscribed Rbls. 45,000,000=say £4,745,000  
Do. (Subscribed  
by the Imperial  
Chinese Govern-  
ment) Kouping Taels 3,500,000=say £520,000  
Reserve Funds Rbls. 23,600,000=say £2,500,000  
£7,765,000

HEAD OFFICE: AT PETROGRAD.

Branches at all the principal Towns in Russia,  
Manchuria, Siberia, Central Asia and China; also  
at Paris, Bombay, Calcutta, Hongkong and Yoko-  
hama.

Interest (paid quarterly) allowed on Fixed Deposit  
Accounts for one year and over at 4 per cent. per  
annum; for shorter periods, and on current ac-  
counts, at rates to be learnt on application.

Banking business transacted of every description.

CHANTREY INCHBALD, London Manager.

64 Old Broad Street,  
London, E.C.

## HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000  
RESERVE FUNDS.  
STERLING RESERVE,  
held in London at Ex-  
change of 2s. per \$  
=£1,500,000 Sterling,  
invested in Consols  
and other Sterling  
Securities ... .. \$15,000,000  
SILVER RESERVE ... .. 18,000,000  
\$33,000,000

RESERVE LIABILITY OF PRO-  
PRIETORS ... .. \$15,000,000

COURT OF DIRECTORS and HEAD OFFICE  
IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which  
can be ascertained on application. Interest payable  
June 30 and December 31.

Sir CHARLES ADDIS, } Managers  
H. D. C. JONES, } in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

## THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410

Petrograd. Moscow. Paris.  
And over 100 Branches in Russia.

London Offices:

24/28 LOMBARD STREET, E.C.

Telegraphic Transfers and Remittances made to  
Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Divi-  
dends Collected. Drafts issued on all parts of the  
world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money ex-  
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Current Accounts opened and deposits received  
on terms which may be ascertained on application.

## COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

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Current Accounts opened. Deposits accepted for  
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Agencies at 2,034 Post Offices throughout Australia.  
Special facilities for the remittance of Settlers' funds.

London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

## STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South  
Africa in Cape Province; to the Imperial Govern-  
ment in South Africa; and to the Administration  
of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100

PAID-UP CAPITAL ... .. £1,548,525  
RESERVE FUND ... .. 2,000,000  
UNCALLED CAPITAL ... .. 4,645,575  
£8,194,100

BOARD OF DIRECTORS—

W. R. Arbuthnot, Esq. Horace Peel, Esq.  
Sir David Miller Barbour, William Smart, Esq.  
K.C.S.I., K.C.M.G. Right Hon. Lord  
Sydenham, G.C.S.I.,  
Robert E. Dickinson, Esq. G.C.M.G., G.C.I.E.  
James Fairbairn Finlay, Rt. Hon. Lord Welby,  
Esq., C.S.I. P.C., G.C.B.

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LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.  
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OVER 200 BRANCHES AND AGENCIES IN  
SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS  
transacted with the Cape Province, Natal, Orange  
Free State, Transvaal, Rhodesia, Nyasaland,  
East Africa Protectorate, Uganda, Zanzibar,  
Portuguese East Africa, and the Belgian Congo,  
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and elsewhere.

CURRENT ACCOUNTS are opened on the usual  
terms.

DEPOSITS RECEIVED for fixed periods at rates  
which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED.

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LETTERS OF CREDIT and DRAFTS granted on  
the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF  
CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

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The Officers of the Bank are bound not to disclose  
the transactions of any of its customers.

NOEL JENNINGS, London Manager.

## BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place,  
Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Consolo.

Sub-Managers { A. Rossi.  
R. B. Handley.  
G. Costa.

Branches in Italy:—Alessandria, Ancona, Bar',  
Biella, Bologna, Brescia, Cagliari, Catania, Como,  
Florence, Genoa, Leghorn, Messina, Naples, Padua,  
Palermo, Parma, Perugia, Pisa, Rome, Salerno,  
Sassari, Savona, Sestri Ponente, Syracuse, Turin,  
Venice, Verona; AND AGENCIES IN NUMEROUS  
OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN  
TREASURY.

Agents in London for:—BANQUE FRANÇAISE  
et ITALIENNE POUR L'AMÉRIQUE DU SUD  
Buenos Aires, Rio de Janeiro, San Paulo, Santos  
&c., and

SOCIETÀ COMMERCIALE D'ORIENTE,  
Milan and Tripoli.  
Agents and Correspondents in all parts of the world

## CREDITO ITALIANO.

Capital fully paid and Reserve ... £3,460,000

Head Office: MILAN.

The Bank has Branches at Genoa, Rome, Turin,  
Naples, Florence, Catania, Bari, and numerous  
other important towns in Italy.

LONDON BRANCH:

22 ABCHURCH LANE, E.C.  
Managers { I. GEORGE MANZI-FE.  
DAVID A. HORNBER.

Transacts a general Foreign Banking Business,  
having Correspondents in all European Countries,  
and is specially prepared to grant facilities for the  
development of trade between the British Empire  
and Italy.

Correspondent of the Royal Italian Treasury.  
Telegrams: "Italocredi, Cable, London."  
Telephones: 7802, 7803 City.

## BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000  
Reserve Fund ... .. £P.300,000

BRANCHES IN:

Piura, Callao, Mollendo,  
Chiclayo, Cerro de Pasco, Arequipa,  
Tacumayo, Chinchta Alta, Cuzco,  
Trujillo, Ica, Iquitos,  
Huaras, Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers  
sued. Bills negotiated, advanced upon, or sent  
collection.

London Agents: The Anglo-South American  
Bank, Ltd., Old Broad St., London, E.C.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.  
Subscribed Capital ... .. Yen 48,000,000  
Capital Paid up ... .. 30,000,000  
Reserve Fund ... .. 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at  
Antung-Hsien Kobe New York  
Bombay Liao Yang Osaka | Peking  
Calcutta London Ryojun (Port  
Changchun Los Angeles Arthur)  
Dairen (Dalny) Lyons San Francisco  
Hankow Fengtien Shanghai  
Harbin (Mukden) Tientsin  
Hong Kong Nagasaki Tientsin | Tokio  
Honolulu Newchwang Tsingtau

The Bank buys and receives for Collection Bills  
of Exchange, issues Drafts and Telegraphic Trans-  
fers and Letters of Credit on above places and else-  
where, and transacts General Banking Business.  
Deposits received for fixed periods at rates to be  
obtained on application.

K. TATSUMI, Manager.

London Office—  
7 Bishopsgate, E.C.

# TRANSVAAL GOLD MINING ESTATES, Limited.

(INCORPORATED IN THE TRANSVAAL.)

ABRIDGED REPORT OF THE DIRECTORS for the Year ended 31st March, 1915, to be submitted at the Meeting to be held in Johannesburg, 17th September, 1915.

ACCOUNTS.—The net profit on working for the year amounted to £219,369 1s. 10d. To this must be added the Unappropriated Balance at 31st March, 1914, £101,938 15s. 6d., £333 15s. 0d., representing the difference between the nominal value of Debentures purchased during the year and their purchase price, and £264 6s. 6d., written back under Article No. 130 for Unclaimed Dividends, making a total of £321,905 18s. 10d. This total has been dealt with as follows:—

Government Tax on Profits	£19,256	2	0
South African Income Tax	268	9	10
Dividends Nos. 17 and 18	181,267	10	0
Debenture Redemption—Nominal Value	13,428	0	0
Funds transferred	2,635	1	10
Balance unappropriated, carried forward, and represented by Cash and Cash Assets, less Liabilities	105,050	15	2
	£321,905	18	10

The amount of £2,635 1s. 10d., Funds Transferred, represents the net expenditure on Capital Account during the year.

The credit of £11,624 10s. 10d. on Mine Development Suspense Account at the 31st March, 1914, has been increased during the financial year to £12,094 5s. 1d. This sum is considered to furnish an adequate reserve for the present, and the Account has been closed at 31st March, 1915. Future Working Costs will be charged with actual Expenditure on Development.

DEBENTURES.—Under the terms of the Debenture Trust Deed purchases of the Company's Debentures have been effected during the year to an amount of £13,428, at an average price of £97 10s. 3d., making the total purchases to date £46,008. The amount required to be redeemed by the 1st April, 1915, viz., £45,000, was thus exceeded and no drawing was necessary. The surplus of £1,008 will go towards the further £15,000 required to be redeemed on the 1st April, 1916. The Debentures purchased have been duly cancelled.

DIVIDENDS.—Dividends Nos. 17 and 18, of 17½ per cent. and 12½ per cent. respectively, amounting to £181,267 10s. 0d., have been declared payable to shareholders during the year.

GENERAL.—The Company has suffered severely from flood owing to exceptionally heavy rains. A claim has been made against the Underwriters of the Profits Insurance Policy.

## FROM THE GENERAL MANAGER'S REPORT.

ORE RESERVES.—Notwithstanding the difficulties caused by the flood, the ore reserves at 31st March, 1915, show an all-round increase and the figures representing the tonnages are the highest on record. At the Central Mines they are estimated at 401,660 tons of an average value of 13.3 dwt. per ton, or an increase of 12,427 tons and a decrease of 1.11 dwt. per ton compared with the previous year. Within the Central Mines area, in addition to the above, there are 5,332 tons, valued at 11.86 dwt. per ton. At Elandsdrift Mine they are estimated at 56,180 tons of an average value of 16.5 dwt. per ton, or an increase of 17,910 tons and 0.5 dwt. per ton in value over the previous year. At Vaalhoek Mine they are estimated at 64,315 tons of an average value of 10.51 dwt. per ton, or an increase of 9,664 tons and a decrease of 0.9 dwt. per ton compared with the previous year. Details are to be found in the reports of the respective Managers.

FLOOD.—The January flood caused enormous damage to the mines and mining operations in general. In January the rainfall was 25 inches, and the downpour of the night of the 5th, which measured 4.1 inches, flooded the whole country, causing the collapse of all mining works in soft formation. At variance with the flood of 1909, when all the damage was practically done in one day, flood conditions were maintained throughout the month, and the record rain of 4.54 inches which fell on the 22nd enormously increased the damage and the already existing difficulties. In February the rainfall was 8.73 inches, which helped to maintain the flood conditions throughout that month. The total rainfall for the financial year was 63.72 inches—the greatest on record in this district. In consequence of this flood there was, besides serious damage, a considerable decrease in profits.

GENERAL.—The outbreak of war and the Rebellion did not directly affect the Company's operations, although an increase in the cost of supplies has been experienced, and a large number of the employees obtained leave to enlist for active service. The Belvedere Power Station not only continued its good service, but stood well during the flood. No damage of importance was done, although the very abnormal conditions prevailing caused a great deal of inconvenience and many stoppages, especially through the grizzly bars at the intake gates choking. Provision is being made for mechanical additions which should prevent the recurrence of this trouble. Other small additions, the necessity for which was demonstrated by the flood, will be provided. The railway from Nelspruit to Graskop was completed during the year, and the opening function took place on the 18th of May, 1914. Up to now no great benefit has been derived from the facility thus afforded, especially as during the period of heavy rain the state of the roads made it impossible to approach the railway terminus. Moreover, owing to extensive washaways, the railway line was closed for several months.

## Dr. ABRIDGED BALANCE SHEET, 31st March, 1915.

To Capital Account (Authorised)—			
640,000 Shares of £1 each	£640,000	0	0
Less 35,775 Shares of £1 each in reserve	35,775	0	0
	£604,225	0	0
5 per Cent. First Mortgage Debentures	124,000	0	0
Less Purchased to 31st March, 1915	46,008	0	0
	77,992	0	0
Share Premium Account	101,750	0	0
Debenture Redemption Fund	46,008	0	0
Funds transferred from Appropriation Account	79,447	17	0
	227,205	17	0
	£909,422	17	0
Sundry Creditors	38,192	3	11
Sundry Debenture-holders : Unclaimed Debenture Interest and Unclaimed Dividend Account	6,375	4	0
Sundry Shareholders—Dividend No. 18	75,528	2	6
Mine Development Suspense—			
Amount provided in excess of actual expenditure	120,095	10	5
Appropriation Account—Balance unappropriated	12,094	5	1
Contingent Liability, £320.	105,060	15	2
	£1,146,663	7	8
By Property Account—			
As per Balance Sheet, 31st March, 1914	£417,190	12	9
Mine Development—			
Central Mines, 406,992 tons	£124,685	9	10
Elandsdrift Mine, 56,180 tons	8,186	10	0
Vaalhoek Mine, 64,315 tons	12,220	14	3
	£145,092	14	1

Brought forward	£145,092	14	1
£417,190	12	9	
Buildings, Machinery and Plant—			
Central Mines	£229,552	12	2
Elandsdrift Mine	15,664	16	7
Vaalhoek Mine	14,216	15	4
Belvedere Power Station	71,909	9	10
	331,343	13	11
Tree Planting—			
Central Mines	7,925	4	10
Elandsdrift Mine	846	13	2
Vaalhoek Mine	395	11	0
	9,167	9	0
Wattle Plantations	6,628	7	3
	492,232	4	3

NOTE.—The Amounts set against the above Assets have been arrived at by taking the cost price, less any allowance for depreciation which has been considered necessary.

Shares in other Companies at cost			
Stores and Materials	£24,525	1	6
Live Stock and Vehicles	5,054	8	6
Office Furniture	1,385	7	11
Bearer Share Warrants	469	19	4
Sundry Debtors and Payments in Advance	4,954	14	5
	£36,389	11	8
Deposits, Fixed and at Call, bearing Interest	158,880	3	0
Cash at Bankers and in Hand	11,039	3	4
Gold Consignment Account	30,301	12	8
	200,270	19	0
	£36,660	10	8
	£1,146,663	7	8

H. C. BOYD, Chairman.

J. H. RYAN,  
B. T. BOURKE, } Directors.TRANSVAAL CONSOLIDATED LAND & EXPLORATION CO., LTD.,  
Secretaries.

W. E. S. LEWIS, Secretary.

To the Shareholders, TRANSVAAL GOLD MINING ESTATES, LIMITED.

We have examined the above Balance Sheet with the books, accounts and vouchers of the Company relating thereto. We report that we have obtained all the information and explanations required, and that in our opinion this Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Company, supported by returns from the Mines and from the London Office.

HOWARD PIM and HARDY,  
Registered Public Accountants, } Auditors,  
CHARLES STUART,  
Chartered Accountant, }

Johannesburg, 26th May, 1915.

## ABRIDGED WORKING EXPENDITURE AND REVENUE ACCOUNT for the Year ended 31st March, 1915.

To European Expenses	£2,350	14	4
Head Office Expenses	11,029	19	0
	£13,380	13	4
Debenture Interest	3,907	6	0
Credit Balance carried to Appropriation Account	219,369	1	10
	£236,657	1	2
By Profit on Working brought down—			
Central Mines	£183,532	0	7
Elandsdrift Mine	29,735	10	8
Vaalhoek Mine	11,653	6	8
	£224,920	17	11
Profit on Treatment of Accumulations	1,433	4	1
Interest	4,190	12	9
Rents	3,859	8	1
Freehold Revenue	444	4	8
Sundry Revenue	1,808	13	8
	11,736	3	3
	£236,657	1	2

## ABRIDGED APPROPRIATION ACCOUNT, 31st MARCH, 1915.

Dr.			
To Mining Taxation for year ended 31st March, 1915	£19,256	2	0
Income Tax Acts, 1914 and 1915	268	9	10
Dividend Account—			
Dividend No. 17, of 17½ per cent., declared 16th September, 1914	£105,739	7	6
Dividend No. 18, of 12½ per cent., declared 18th March, 1915	75,528	2	6
	181,267	10	0
Debenture Redemption Fund—			
Debentures purchased during year	13,428	0	0
Net Expenditure on Mine Equipment and Tree Planting for the year	2,635	1	10
Balance Unappropriated carried to Balance Sheet	105,060	15	2
	£321,905	18	10
By Balance—			
As per Balance Sheet, 31st March, 1914	£101,938	15	6
Balance of Working Expenditure and Revenue Account—			
For the Year ending 31st March, 1915	219,369	1	10
5 per Cent. First Mortgage Debentures—			
Being difference between nominal value and cost of Debentures purchased during the year ended 31st March, 1915	333	15	0
Unclaimed Dividends written back	264	6	6
	£321,905	18	10

# £4 10s. % WAR LOAN

## 1925-1945.

### ISSUE OF STOCK OR BONDS

Bearing Interest at  $4\frac{1}{2}$  % per annum, payable half-yearly on the 1st June and the 1st December.

**Price of Issue fixed by H.M. Treasury at £100 per Cent.**

A full half-year's Dividend will be paid on the 1st December, 1915.

*The Stock is an investment authorised by "The Trustee Act, 1893," and Trustees may invest therein notwithstanding that the price may at the time of investment exceed the redemption value of £100 per cent.*

Applications, which must be accompanied by a deposit of £5 per cent., will be received at the Bank of England, Threadneedle Street, London, E.C., and may be forwarded either direct or through the medium of any Banker or Stockbroker in the United Kingdom. Applications must be for even hundreds of pounds.

Arrangements are being made for the receipt of applications for smaller amounts than £100 through the Post Office.

Further payments will be required as follows:—

- £10 per cent. on Tuesday, the 20th July,
- £15 per cent. on Tuesday, the 3rd August,
- £15 per cent. on Tuesday, the 17th August,
- £15 per cent. on Tuesday, the 31st August,
- £10 per cent. on Tuesday, the 14th September,
- £10 per cent. on Tuesday, the 28th September,
- £10 per cent. on Tuesday, the 12th October,
- £10 per cent. on Tuesday, the 26th October.

The GOVERNOR and COMPANY of the BANK OF ENGLAND are authorised to receive applications for this Loan, which will take the form either of Inscribed Stock, or Bonds to Bearer, at the option of the Subscribers.

If not previously redeemed the Loan will be repaid at par on the 1st December, 1945, but His Majesty's Government reserve to themselves the right to redeem the Loan at par at any time on, or after, the 1st December, 1925, on giving three calendar months' notice in the *London Gazette*. Both Capital and Interest will be a charge on the Consolidated Fund of the United Kingdom.

The books of the Loan will be kept at the Bank of England and at the Bank of Ireland. Dividends will be paid half-yearly on the 1st June and 1st December. Dividends on Stock will be paid by Warrant, which will be sent by post. Dividends on Bonds will be paid by Coupon.

Inscribed Stock will be convertible into Bonds to Bearer at any time without payment of any fee; and Bonds to Bearer will be exchangeable for Inscribed Stock on payment of a fee of one shilling per Bond.

The instalments may be paid in full on or after the 20th July, 1915, under discount at the rate of  $4\frac{1}{2}$  % per cent. per annum. In case of default in the payment of any instalment by its proper date, the deposit and the instalments previously paid will be liable to forfeiture.

Scrip Certificates to Bearer, with Coupon attached for the dividend payable on the 1st December, 1915, will be issued in exchange for the provisional receipts. As soon as these Scrip Certificates have been paid in full they can be inscribed (i.e. can be converted into Stock); or, they can be exchanged for Bonds to Bearer (as soon as these can be prepared) in denominations of £100, £200, £500, £1,000, £5,000, and £10,000. Inscribed Stock will be transferable in any sums which are multiples of a penny.

### CONVERSION OF

- £3 10s. per Cent. War Loan, 1925-1928.
- £2 10s. per Cent. Consols.
- £2 15s. per Cent. Annuities.
- £2 10s. per Cent. Annuities.

Holders of £4 10s. per Cent. War Loan, 1925-1945, will have the additional right, in respect of each £100 Stock (or Bonds) held by them, and fully paid in cash, to exercise one or other of the four following options of conversion, provided application for conversion is made not later than the 30th October, 1915.

**OPTION 1. CONVERSION OF £3 10s. PER CENT. WAR LOAN, 1925-1928.**—To exchange Stock (or Bonds) of £3 10s. per Cent. War Loan, 1925-28, to an amount not exceeding £100 nominal, for fully-paid Stock (or Bonds) of £4 10s. per Cent. War Loan, 1925-1945, at the rate of £100 of the former, with a cash payment of £5 per cent. thereon, for

£100 of the latter. Persons who exercise this option will receive the dividend of £1 10s. 11d. per cent. payable on the 1st September, 1915, in respect of the £3 10s. per Cent. War Loan, 1925-1928, surrendered, and a full half-year's dividend of £2 5s. per cent., payable on the 1st December, 1915, in respect of the £4 10s. per cent. War Loan, 1925-1945, issued in lieu thereof.

**OPTION 2. CONVERSION OF £2 10s. PER CENT. CONSOLS.**—To exchange Stock (or Stock Certificates) of £2 10s. per Cent. Consols, to an amount not exceeding £75 nominal, for fully-paid Stock (or Bonds) of £4 10s. per Cent. War Loan, 1925-1945, at the rate of £75 of the former for £50 of the latter. Persons who exercise this option will receive the usual quarter's dividend of 12s. 6d. per cent., payable on the 5th October, 1915, in respect of the £2 10s. per cent. Consols surrendered, and a full half-year's dividend of £2 5s. per cent., payable on the 1st December, 1915, in respect of the £4 10s. per Cent. War Loan, 1925-1945, issued in lieu thereof.

**OPTION 3. CONVERSION OF £2 15s. PER CENT. ANNUITIES.**—To exchange Stock (or Stock Certificates) of £2 15s. per Cent. Annuities, to an amount not exceeding £67 nominal, for fully-paid Stock (or Bonds) of £4 10s. per Cent. War Loan, 1925-1945, at the rate of £67 of the former for £50 of the latter. Persons who exercise this option will receive the usual quarter's dividend of 13s. 9d. per cent., payable on the 5th October, 1915, in respect of the £2 15s. per Cent. Annuities surrendered, and a full half-year's dividend of £2 5s. per cent., payable on the 1st December, 1915, in respect of the £4 10s. per Cent. War Loan, 1925-1945, issued in lieu thereof.

**OPTION 4. CONVERSION OF £2 10s. PER CENT. ANNUITIES.**—To exchange Stock (or Stock Certificates) of £2 10s. per Cent. Annuities, to an amount not exceeding £78 nominal, for fully-paid Stock (or Bonds) of £4 10s. per Cent. War Loan, 1925-1945, at the rate of £78 of the former for £50 of the latter. Persons who exercise this option will receive the usual quarter's dividend of 12s. 6d. per cent., payable on the 5th October, 1915, in respect of the £2 10s. per Cent. Annuities surrendered, and a full half-year's dividend of £2 5s. per cent., payable on the 1st December, 1915, in respect of the £4 10s. per Cent. War Loan, 1925-1945, issued in lieu thereof.

In the event of future issues (other than issues made abroad or issues of Exchequer Bonds, Treasury Bills, or similar short-dated Securities) being made by His Majesty's Government, for the purpose of carrying on the War, Stock and Bonds of this issue will be accepted at par, plus accrued interest, as the equivalent of cash for the purpose of subscriptions to such issues.

A commission of one-eighth per cent. will be allowed to Bankers, Brokers, and Financial Houses on allotments made in respect of cash applications for this issue bearing their Stamp; but no commission will be allowed in respect of applications for conversion.

Application Forms for Cash Subscriptions may be obtained at the Bank of England and the Bank of Ireland; at any Bank or Money Order Office in the United Kingdom; of Messrs. Mullens, Marshall and Co., 13 George Street, Mansion House, E.C.; and of the principal Stockbrokers.

Application Forms for Conversion will be forwarded with each Letter of Allotment.

**The List of Applications will be Closed on or before Saturday, the 10th July, 1915.**

Bank of England, London,  
21st June, 1915.

# The Marconi International Marine Communication Company Limited

## REPORT OF THE DIRECTORS and STATEMENT OF ACCOUNTS for the Year ending 31st December, 1914.

To be presented at the Fifteenth Ordinary General Meeting of the Company, to be held at the Whitehall Rooms, Hotel Metropole, Whitehall Place, London, S.W., on Wednesday, 7th July, 1915, at 12 o'clock noon.

**AUTHORISED CAPITAL** - - - **£350,000**  
DIVIDED INTO 850,000 SHARES OF £1 EACH.

### DIRECTORS.

Senatore GUGLIELMO MARCONI, K.C.V.O., LL.D., D.Sc., London.  
GODFREY CHARLES ISAACS, Esq. (Managing Director), London.  
ALFONSO MARCONI, Esq., London.  
Captain HENRY RIAL SANKEY, R.E. (Retired), London.  
HENRY SPEARMAN SAUNDERS, Esq., London.  
M. MAURICE TRAVAILLEUR, Brussels.

### AUDITORS.

Messrs. COOPER BROTHERS AND CO.

### SOLICITORS.

Messrs. COWARD AND HAWKSLEY, SONS AND CHANCE.

### MARINE SUPERINTENDENT.

Captain C. V. DALY.

### SECRETARY AND OFFICES.

HENRY W. ALLEN, F.C.I.S., Marconi House, Strand, London, W.C.

### DIRECTORS' REPORT.

The Directors herewith submit the Balance Sheet and Profit and Loss Account for the year ending 31st December, 1914.

During the last five months of the year under review the Company's business suffered considerable disorganisation and some loss in consequence of the state of war, entailing a great increase of work and strain upon those responsible for the conduct of the business. It therefore affords the Directors considerable satisfaction to inform you that notwithstanding the adverse circumstances the Company's business has continued to show substantial progress.

The net profit for the year amounts to £55,668 1s. 1d., after deducting the sum of £28,000 8s. 10d. for depreciation and debenture interest, compared with a net profit of £37,029 5s. 7d. for the preceding year. The revenue from ships' telegrams, subsidies, &c., amounted to £175,021 1s. 10d., which is a substantial increase over the amount of £146,316 18s. 11d. for the year 1913.

The number of telegraph stations owned and worked by the Company as public telegraph stations on the high seas increased from 788 at the end of 1913 to 905 at the end of 1914. Although these figures denote a marked appreciation of the Company's organisation, the increase would have been even more satisfactory had normal conditions prevailed. It will be a matter of some satisfaction to the shareholders to know that during the current year further progress is being made, the number of steamers fitted to the 19th June having increased to 970.

It is of the highest satisfaction to the Directors, as it will be no doubt to the shareholders, that, having regard to the present circumstances, the vast organisation, that for so many years has been patiently and laboriously built up by the Company at great cost and without return, should now prove to be of the utmost utility besides being financially successful. The fact that there are now over 2,000 ships, exclusive of ships of war, fitted with Marconi telegraph stations, and for the most part worked under the direction of this Company and its associated companies, has an importance in these times which all shareholders will appreciate.

The Amalgamated Wireless (Australasia), Limited, in which this Company is interested, has paid a dividend of 4 per cent. in respect of the period to the 30th June, 1914, and an interim dividend of 2½ per cent. in respect of the half-year ending the 31st December, 1914.

The amount to the credit of Profit and Loss Account now stands at the sum of £64,855 14s. 11d., including the sum of £6,067 13s. 10d. carried forward from the preceding year.

The Directors have pleasure in recommending the payment of a final dividend for the year 1914 of 5 per cent., which, with the interim dividend of 5 per cent. paid on the 1st February last, will make 10 per cent. for the year, the total amounting to £30,608 8s.

The Company has sustained some loss in consequence of the attacks upon our mercantile fleet by enemy submarines, for which it is contemplated compensation will be received. However, your Directors think it desirable that £10,000, a sum far in excess of all losses to date, should, in the meantime, be placed to the credit of a Special Reserve Account, and, having regard to the prevailing circumstances and the desirability of their holding a strong financial position, with ample cash resources to provide for the continuous increase of telegraph installations on board ships, it is deemed prudent to carry forward the sum of £20,747 6s. 11d., after allocating the sum of £3,500 to the repayment of Debenture account.

The option on the 43,916 unissued shares of the Company for two years from 27th June, 1913, mentioned in the last report, has not been exercised.

The Directors deeply regret having to record the death of two of their colleagues, General Albert Thys, of Brussels, who died on the 10th February last, and Major Samuel Flood Page, who died on the 7th April.

The retiring Directors are Captain H. Riall Sankey and Mr. Henry S. Saunders, who, being eligible, offer themselves for re-election.

The Auditors, Messrs. Cooper Brothers and Co., also retire and offer themselves for re-appointment.

By Order of the Board,

HENRY W. ALLEN, Secretary.

Marconi House, Strand, London, W.C.,  
23rd June, 1915.

### BALANCE SHEET, 31st December, 1914.

Dr.					
To Capital—					
Authorised :					
350,000 Shares of £1 each ... ..	£350,000	0	0		
Issued :—					
306,084 Shares, fully paid ... ..	£306,084	0	0		
6,094 5½ per Cent. 1st Mortgage Debentures of £20 each ... ..	121,880	0	0		
Reserve for Repayment of Debentures ... ..	5,630	0	0		
Share Premium Account ... ..	17,639	14	3		
Creditors ... ..	76,855	18	9		
Profit and Loss Account—					
Balance as per last account, 31st December, 1913 ... ..	£40,171	14	4		
Deduct—					
10 per Cent. Dividend for 1913 £30,604 0 6					
Reserve for Repayment of					
Debentures ... .. 3,500 0 0					
	34,104	0	6		
	£6,067	13	10		
Amount taken from Reserve to redeem					
155 Debentures ... ..	3,120	0	0		
	£9,187	13	10		
Add—					
Balance of account for the year ending					
31st December, 1914 ... ..	55,668	1	1		
				64,855	14 11
				£52,945	7 11
Cr.					
By Plant, Apparatus, Furniture and Stores ... ..	£252,283	16	1		
NOTE.—Owing to the war it has not been possible to obtain certified Inventories for Apparatus and Stores amounting to £45,505 5s. 5d. The balance, £206,783 10s. 8d., has been certified by representatives of the Company.					
Consideration for Licence and Rights and Shares in Associated Companies ... ..	219,381	11	7		
NOTE.—The Licence and Rights are subject to the provisions of five Agreements between this Company and five Associated Companies, under which this Company received Shares in Associated Companies for this Company's rights in Canada, Australasia, Argentina, Uruguay, and all European Countries and their Dependencies except Great Britain and Ireland and Italy.					
Debtor Balances ... ..	61,024	19	9		
Debenture Discount ... ..	13,457	11	8		
Cash at Bankers and in Hand ... ..	6,792	8	10		
Loan against Securities ... ..	40,000	0	0		
	£52,945	7	11		

### PROFIT AND LOSS ACCOUNT for the Year ending 31st December, 1914.

Dr.					
To Salaries and Directors' Fees ... ..	£14,054	18	5		
General Charges ... ..	8,004	6	4		
Expenses of Ship Telegraph Stations, including Depreciation of					
Plant and Apparatus ... ..	90,565	18	11		
Debenture Interest ... ..	6,811	16	1		
Balance carried to Balance Sheet ... ..	55,668	1	1		
	£175,105	0	10		
Cr.					
By Ships' Telegrams, Subsidies, News Service, Rentals and					
Sundry Receipts ... ..	£175,021	1	10		
Transfer Fees ... ..	83	19	0		
	£175,105	0	10		

GODFREY C. ISAACS, Director.

H. RIAL SANKEY, Director.

### REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the above Balance Sheet with the books in London and accounts from Rome. We have obtained all the information and explanations we have required, and in our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the Books of the Company.

COOPER BROTHERS AND CO., } Auditors.  
Chartered Accountants, }

London, 23rd June, 1915.

# THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

(Registered in the Transvaal.)

(With which are incorporated the Bank of Africa, Limited, Established 1879,  
the National Bank of the Orange River Colony, Limited, Established 1877, and  
the Natal Bank, Limited, Established 1854).

Bankers to the Union Government in the Transvaal, the Orange Free State, and Natal, and to the Imperial Government.

Subscribed Capital ... ..	£2,782,420	Paid-up Capital ... ..	£2,782,420
With power to increase to ... ..	£4,000,000	Reserve Fund ... ..	£525,000

LONDON OFFICES { CIRCUS PLACE, LONDON WALL, E.C.  
117 CANNON STREET, E.C.

REPORT of the Directors, presented to Shareholders at the  
ORDINARY GENERAL MEETING held at Pretoria on the  
28th May, 1915.

The Directors beg to submit the Balance Sheet of the Bank for the year ended 31st March, 1915, showing, after taking £175,000 from our Reserve Fund to cover estimated losses in assets taken over from the Natal Bank, Ltd., a profit of £184,558 Os. 2d., inclusive of the balance of £23,184 15s. 4d. brought forward from 31st March, 1914.

They recommend that the profit be apportioned as follows:—

To Dividend of 6 per cent. (of which the Interim Dividend paid for the 6 months ended 30th September, 1914, absorbed £70,500) ... ..	£153,972 12 0
Balance to be carried forward ... ..	20,585 8 2
	£184,558 0 2

They further recommend that it be left to their discretion to award, out of the balance to be carried forward, a Bonus to the Officers of the Bank, in recognition of the loyal and efficient services rendered by them.

THE NATAL BANK, LTD.—The Directors have to state that during the year the important business of the Natal Bank, Ltd., which had been established for 60 years and had 33 Branches, was acquired by this Bank.

In order to carry out the above transaction the Capital of the Bank was authorised to be increased to £3,000,000 at an Extraordinary General Meeting held on 29th September, 1914.

BRANCHES.—The following new Branches have been opened:—Balfour, Bedford, Seymour (Cape Province); Bergville, Bulwer (Natal); Breyten and Kinross (Transvaal).

Since the close of the financial year a Branch has also been opened at Kenhardt (Cape Province).

DIRECTORS.—You will be asked to confirm the following appointments by the Board of the undermentioned gentlemen as Directors of the Bank:—Walter Greenacre, Esq., the Hon. A. T. Oliff, J. Ellis Brown, Esq.

During the year Mr. E. R. Syfret resigned his seat on the Board, as he found that he could not give sufficient time to the fulfilment of his duties as a Director, owing to the distance he resides from the Head Office.

In terms of the Trust Deed, Messrs. P. Duncan, C.M.G., M.L.A., G. H. Mullins, V.O., C.M.G., H. O.K. Webber, and H. A. Rogers retire by rotation, but, being eligible, offer themselves for re-election.

AUDITORS.—You will be asked to fix the remuneration for the past audit and to elect Auditors for the ensuing year. Mr. Robert Baikie and Mr. John Dougall, the retiring Auditors, offer themselves for re-election.

C. P. MATHEWS, Secretary.  
Pretoria, 11th May, 1915.

H. CRAWFORD, Chairman.  
EMRYS EVANS, Vice-Chairman.

DR.	LIABILITIES.	BALANCE SHEET, 31st March, 1915.	ASSETS.	CR.
To Subscribed Capital—278,242 shares of £10 each (fully paid) ... ..	£2,782,420 0 0	By Cash on hand and with Bankers ... ..	£3,470,797 17 8	
Reserve Fund ... ..	525,000 0 0	Remittances in transit ... ..	833,914 10 2	
Notes in Circulation ... ..	1,163,741 0 0	Native Gold on hand and in transit ... ..	128,591 15 0	
Deposit, Current and other Accounts ... ..	20,223,422 5 4			£4,433,304 2 10
Drafts issued on Branches and Agents outstanding at date ... ..	577,464 11 6	Money in London at Call and Short Notice against Securities	2,957,725 0 3	
Rebate on Bills not yet due ... ..	51,735 9 8	British and Colonial Government and other Securities (in-		
Bills Receivable on Account of Customers ... ..	2,886,581 4 4	cluding Stock lodged with the Government of the Union		
Profit and Loss Account—		of South Africa), written down to 27th July, 1914,		
Balance undivided at 31st March, 1914 ... ..	£28,184 15 4	quotations ... ..	1,378,527 1 6	
Net Profit, year ended 31st March, 1915 ... ..	156,373 4 10	Bills of Exchange ... ..	2,293,874 3 1	
	184,558 0 2	Bank Premises and other properties in South Africa ... ..	836,719 8 1	
Less Interim Dividend declared 7th Dec., 1914 ... ..	70,500 0 0	Bills Discounted, Loans, &c. ... ..	13,406,686 10 7	
		Bank Furniture and Fittings, Stationery, and Stamps ... ..	111,025 0 4	
		Bills for Collection ... ..	2,886,581 4 4	
Natal Bank, Ltd., in Liquidation:—For Reserve Fund, &c.,		Natal Bank, Ltd., as per Agreement ... ..	400,000 0 0	
(as per contra) ... ..	400,000 0 0	Loans guaranteed and secured (as per contra) ... ..	252,330 18 7	
Contingent liability in respect of Loans guaranteed and				
secured ... ..	252,330 18 7			
	£28,956,753 9 7			£28,956,753 9 7

## PROFIT AND LOSS ACCOUNT.

To Rebate on Bills not yet due ... ..	£51,735 9 8	By Gross Profits (including Balance undivided at 31st March, 1914, p. £28,184 15s. 4d.), after deducting Interest due on Fixed	
Expenditure, including Rents, Rates, Salaries, Re-		Deposits, Income Tax, Duty on Note Circulation, other Govern-	
muneration to Directors and Auditors, and all other		ment Taxes, appropriation to Bank Premises, Furniture and	
expenses at Head Office and Branches ... ..	466,266 17 1	Fittings, and Stationery, making provision for losses and con-	
Balance carried forward ... ..	184,558 0 2	tingencies*, and depreciation in the value of Investment	
		Securities ... ..	£682,560 6 11
	£682,560 6 11	*Including provision for estimated Losses in Assets	
		taken from Natal Bank, Ltd. ... ..	£682,560 6 11

We hereby certify that all our requirements as Auditors have been complied with and that we have examined the above Balance Sheet and have found same correct according to the Head Office Books and the certified Returns received from the Branches and Agencies of the Bank. We have also examined certified Statements showing the securities representing the Investments of the Bank, and find that they agree with the Balance Sheet. We are of opinion that the above is a full and fair Balance Sheet, properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs as shown by the said Books and Returns.

Pretoria, 21st May, 1915.

ROBERT BAIKIE, Incorporated Accountant, } Auditors.  
JOHN DOUGALL, Incorporated Accountant, }

## APPROPRIATION.

To Dividend of 6 per cent. (of which the Interim Dividend paid for the 6 months ended 30th Sept., 1914, absorbed £70,500) ... ..	£153,972 12 0	By Balance of Profit and Loss Account ... ..	£184,558 0 2
Balance to be carried forward ... ..	30,585 8 2		
	£184,558 0 2		£184,558 0 2

# THE NATIONAL BANK OF SCOTLAND LIMITED

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.

## Head Office—EDINBURGH.

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

## TENDERS FOR BIRMINGHAM CORPORATION BILLS.

1. The Corporation of Birmingham HEREBY GIVE NOTICE that Tenders will be received at the Chief Cashier's Office, at the Bank of England, London, on Monday, the 5th July, 1915, at One o'clock, for Birmingham Corporation Bills to be issued under the Birmingham Corporation Act, 1905, to the amount of £500,000 (five hundred thousand pounds), in replacement of Bills falling due on the 11th idem.

2. The Bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated the 10th day of July, 1915, and will be payable at twelve months after date, viz., the 10th day of July, 1916.

3. The Tenders must specify the net amount per cent. which will be given for the amounts applied for; and the Tenders of private individuals must be made through a London Banker.

4. The Bills will be issued and paid at the Bank of England, London.

5. The persons whose Tenders are accepted will be informed of the same on Tuesday, the 6th July, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England in London not later than Twelve o'clock on Saturday, the 10th July.

6. The Corporation of Birmingham reserve the right of rejecting any Tenders.

7. Tenders should be on the printed form, which can be obtained at the City Treasurer's Office, the Council House, Birmingham; and at the Chief Cashier's Office, Bank of England, London; or at any of the Branches of that Bank.

8. The Treasury has been consulted under the Notification of the 18th January, 1915, and raises no objection to this issue. It must be distinctly understood that in considering whether they have, or have not, any objections to new issues, the Treasury does not take any responsibility for the financial soundness of any schemes, or for the correctness of any of the statements made, or opinions expressed, with regard to them.

E. V. HILEY,  
Town Clerk.

Council House,  
Birmingham,  
28th June, 1915.

## TRANSVAAL GOLD MINING ESTATES, LIMITED.

(Incorporated in the Transvaal.)

### NOTICE TO SHAREHOLDERS.

NOTICE IS HEREBY GIVEN that a Special General Meeting of members, whose registered address is elsewhere than in South Africa, will be held in Hall No. 77 Salisbury House, Finsbury Circus, London, E.C., on Wednesday, the 21st day of July, 1915, at noon, to receive and consider the Balance Sheet and Accounts for the year ended 31st March, 1915.

NOTICE IS HEREBY ALSO GIVEN that the Eighteenth Ordinary General Meeting of Shareholders for the year ended 31st March, 1915, will be held in the Board Room, The Corner House, Johannesburg, on Friday, 17th September, 1915, at noon, for the following business:—

1. To receive and consider the Balance Sheet and Accounts for the year ended 31st March, 1915, and the Reports of the Directors and Auditors.

2. To elect Directors in the place of those retiring in accordance with the provisions of the Company's Articles of Association.

3. To determine the remuneration of the Auditors for the past audit and to appoint Auditors for the ensuing year.

4. To transact any other business which may be transacted at an Ordinary General Meeting, or which is brought under consideration by the Report of the Directors.

The Share Transfer Books of the Company will be closed from the 17th to the 23rd September, 1915, both days inclusive.

Holders of Share Warrants who desire to be present or represented at the Meeting shall produce their Share Warrants (or may at their option deposit same) at the places and within the times following:—

(a) At the Head Office of the Company in Johannesburg at least 24 hours before the time appointed for the holding of the Meeting.

(b) At the London Office of the Company, No. 1 London Wall Buildings, London, E.C., at least 30 days before the date appointed for the holding of the Meeting.

(c) At the Cr dit Mobilier Fran ais, 30 and 32 Rue Taibout, Paris, at least 30 days before the date appointed for the holding of the Meeting.

and shall otherwise comply with the "Conditions as to the issue of Share Warrants" now in force.

Upon such deposit or production a Certificate, with Proxy Form, will be issued, under which such Share Warrant Holders may attend the Meeting either in person or by proxy.

By Order,

A. MOIR,  
London Secretary.

London Office:  
No. 1 London Wall Buildings, E.C.,  
30th June, 1915.

## THE VIRGINIA (CAROLINA) CHEMICAL COMPANY

have Declared a Dividend of \$2 per Share (at the rate of 8 per cent. per annum) upon the Preference Stock of this Company. Payable the 15th July, 1915.

S. DABNEY CRENSHAW,

Secretary.

Richmond, Va., 30th June, 1915.

### NOTICE.

## BRITISH PROPERTY IN ENEMY COUNTRIES AND OCCUPIED TERRITORY.

In reference to the recent announcement in the Press that the Public Trustee would accept and record particulars of British Property in Enemy Territory, the attention of the public interested in the matter is called to the following points:—

(1) An additional form, Registration Order "J," has been prepared for recording particulars of Personal Luggage left behind in Enemy Territory by British Subjects returning to this Country.

(2) Returns of British Property in Territories occupied by Enemy Forces are now requested, and should be made on Occupied Territory Forms G, H, and J respectively.

The necessary forms may be obtained from the Public Trustee Office, Trading with the Enemy Department, Foreign Claims Section, 2 Clement's Inn, Strand, W.C., and are as follows:—Registration Order G, for Debts and Bank Balances.

Registration Order J, for Personal Luggage.

Registration Order H, for other Property, including Securities.

C. J. STEWART,  
Public Trustee.

30th June, 1915.

## S O PAULO ELECTRIC COMPANY, LIMITED.

The Canadian Bank of Commerce give notice that they will pay on and after 1st July, 1915, Coupon No. 7 for Interest due on that date. Coupons must be left at the Bank three days for examination.

2 Lombard Street, E.C.,  
26th June, 1915.

## RIO DE JANEIRO TRAMWAY LIGHT AND POWER COMPANY, LIMITED.

FIRST MORTGAGE FIVE PER CENT. 30-YEAR GOLD BONDS.

The Canadian Bank of Commerce will pay on and after 1st July 1915, Coupon No. 21 for Interest due on that date. Coupons must be left at the Bank three days for examination.

No. 2 Lombard Street, E.C.,  
26th June, 1915.

## COMPANHIA FERRO CARRIL DO JARDIM BOTANICO FIVE PER CENT. FORTY-YEAR FIRST MORTGAGE BONDS.

The Canadian Bank of Commerce will pay on and after 1st July, 1915, Coupon No. 8 for Interest due on that date. Coupons must be left at the Bank three days for examination.

No. 2 Lombard Street, E.C.,  
26th June, 1915.

## PHILADELPHIA COMPANY.

DIVIDEND No. 135.

Pittsburgh, Pennsylvania,  
June 24th, 1915.

The Directors have this day declared a QUARTERLY DIVIDEND of

ONE AND A-HALF PER CENT.

on the COMMON STOCK, payable August 2nd, 1915, to Stockholders of record July 6th, 1915. Cheques will be mailed.

C. J. BRAUN, Junior, Treasurer.

## ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).

Head Office: 38 Lombard Street, E.C.

Subscribed Capital	...	...	£1,078,875 0 0
Paid-up Capital	...	...	539,437 10 0
Further Liability of Proprietors	...	...	539,437 10 0
Reserve Fund	...	...	350,000 0 0

LETTERS OF CREDIT AND DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER, BILLS NEGOTIATED or forwarded for COLLECTION, BANKING and EXCHANGE business of every description transacted with Australia

E. M. JANION, Manager.

## BANK OF NEW ZEALAND.

Incorporated 29th July, 1861.

(Bankers to the New Zealand Government.)  
LONDON OFFICE:—1 Queen Victoria St., London, E.C.

AUTHORISED CAPITAL ... £5,500,000.

Four per Cent. Guaranteed Stock	...	£1,000,000
75,000 "A" Preference Shares of	...	500,000
£6 13s. 4d.	...	500,000
150,000 Ordinary Shares £3 6s. 8d.,	...	500,000
per share	...	500,000
Shares issued 1st April, 1914, when fully	...	750,000
paid up	...	2,057,170

Reserve Fund and Undivided Profits ... 2,057,170

Negotiates and collects Bills of Exchange, GRANTS DRAFTS on its Offices in New Zealand, Australia, Fiji and Samoa.

Remittances made by telegraphic transfer.  
ALEXANDER KAY, Manager.

## THE STOCK EXCHANGE.

### NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

### SECRETARY.

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# The Statist.

LONDON, SATURDAY, JULY 3, 1915.

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## The Money Market.

Friday Evening, July 2, 1915.

### Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	BANKS. NOTICE.	DISCOUNT RATES. CALL.	HOUSES. NOTICE.
April 8, 1915 ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

### Treasury Bills:—

	3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price...	£99 6s. 1½d.	£98 3s. 7½d.	£97 3s. 8½d.	£96 5s. 0d.
Discount Rate	2½%	3½%	3½%	3½%

### Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills ...	3½-4	4	4½-5	4½
Trade Bills ..	—	4½-5	5-5½	5½-6

## MONEY.

### PROFITABLE RATES NEEDED.

WITH the turn of the half-year the discount market has become slightly easier, and discount rates to-day (Friday) were 4 per cent. for three months' bills, 4½ to 4¾ per cent. for four months', and 4¾ per cent. for six months' drafts. The supply of money remains superabundant, and loans for the day can be had at 1½ per cent., and for short periods at 2 per cent. The easier rates are due to the discussions that have taken place this week between the joint-stock

banks, the Bank of England, and the Treasury with regard to what will happen on July 20 when the instalments on the new Loan may be paid up in full under discount of  $4\frac{1}{2}$  per cent. Everyone expects that the amount which will be paid up will be enormous, that the sum standing to the credit of the Government at the Bank of England will be sufficient to carry on the War for several months, and consequently that steps should be taken to secure the re-deposit with the joint-stock banks of money not immediately required by the Government.

As far as the negotiations have gone the Treasury and the Bank of England have agreed to re-lend the surplus money, which means that bankers' deposits will not be appreciably affected by the great payments that will be made. Nevertheless, it is obvious that such procedure implies that bankers will be able to employ at profitable rates every penny they have at their disposal. Indeed, it is probable that they will use their cash balances to a much greater extent than hitherto in making payments to the Government, and that the unused money in the market will practically disappear.

From this it would seem to follow that unless the Bank of England employs the Government balances at something less than Bank rate, bankers will not be keen to discount bills at rates much under those at which the Bank of England is prepared to lend. Thus, having regard to all the circumstances, it is evident that discount rates are likely to be maintained at a level close to the rates which the Bank of England may charge for advances.

From the international point of view it is of great importance that discount rates should be maintained in London at a profitable level, as otherwise the drain of gold to foreign countries may become excessive. In consequence of the unwillingness of New York to purchase any large amount of securities this week, the sight exchange upon London after advancing to  $4\ 77\frac{3}{4}$  fell to  $4\ 75\frac{3}{4}$ , and yesterday was quoted at  $4\ 76\frac{1}{4}$ . Such a rate gives a very considerable profit on gold exports, and it is evident that gold shipments to New York, either from Ottawa or from other places, is likely to remain large unless American securities are sold more freely or credits are obtained by Europe in the United States.

In considering the outlook for exchange, several factors have to be heeded. First, of course, there are the enormous purchases of goods by Europe as well as by other countries from the United States, which in the first year of war will probably cause the exports to exceed the imports by no less than £250,000,000, and will give America power to import gold, to buy securities from abroad, and to make loans of money in foreign markets to the extent of upwards of £100,000,000.

Second, as far as British imports for war purposes go they are likely to be still greater in future than they have been in the past, and if Europe continues to spend money with increasing freedom the balance of American exports over imports in the coming year may be nearly twice as great as in the past year. There is, however, a third factor coming into the situation, and that is the campaign now being initiated in this country to induce our people to become more economical, and to offset the great expenditures for war by reduced expenditures for domestic and civil purposes. What effect this campaign will have cannot yet be gauged. But it is evident that it cannot fail to have a great influence, and that consequently the large imports for war purposes may in some measure be offset by reduced imports for consumption by civilians.

Moreover, it should be specially noted that in the present temper of the British people they will be willing to do whatever is essential, and if the outflow of gold becomes great enough to cause real uneasiness, then it is obvious that the British people will reduce their consumption to a point that would reduce or even stop the gold exports. It will be realised, of course, that the practice of economy is extraordinarily difficult after people have been accustomed to a given rate of expenditure and of consumption, and that the introduction of economy will be no greater than conditions compel. If the American people buy their securities freely from us or lend money to the Allies, or their bankers leave large balances in the London market, then the rate of expenditure and of consumption will be correspondingly maintained. As far as we are able to gauge the situation America is not willing to lend all the money that is needed to take care of our existing adverse trade balance, but is prepared to provide some of it, but that the British people are about to effect economies in their civil expenditures, which will in the course of a relatively short time take care of the adverse trade balance by bringing about an expansion of exports and a curtailment of imports.

With the situation as it now stands, however, and until matters are rectified, it is of great importance that discount rates should be maintained at a profitable level in the London market, and that New York bankers should be given adequate inducement to leave balances on this side.

The Committee of London Clearing Bankers have elected Lord St. Aldwyn (London Joint Stock Bank) Chairman, and Mr. R. V. Vassar Smith (Lloyds Bank Limited) as Deputy Chairman for the ensuing year. On taking office, Lord St. Aldwyn, on behalf of the Committee, thanked the retiring Chairman, Sir Felix Schuster, for the valuable assistance rendered to bankers during his tenure of office, particularly during the momentous months of war.

### THE BANK OF ENGLAND.

THE Bank of England's gold and reserve continue to decline heavily, and both amounts are now smaller than they have been since the early weeks of the War. It is possible, indeed, probable, that the great subscriptions for the new War Loan will bring into the Bank of England a large amount of cash from the private hoards of many people. But whether the amount that will be received in this manner will be more than sufficient to offset the drain of gold to the United States, to Argentina, and to other countries has yet to be determined. The loss of reserve this week was as much as £3,572,000, and the amount was reduced to £35,905,000. The loss of gold was £2,065,000, in consequence of withdrawals of £1,279,000 for abroad and of £786,000 for the country. On the other hand, the note circulation expanded £1,506,000. The total stock of gold is now £52,092,000, while the note circulation is £34,636,000. Very large disbursements were made from the public deposits last week, as the applications for new Treasury Bills on balance were quite insignificant, amounting to only £2,882,000. The loss in the public deposits was as much as £18,064,000, and the total amount was reduced to £81,514,000. On the other hand, the other deposits increased £30,091,000 to the great total of £140,654,000. This increase was due partly to the loss of public deposits and partly to an increase of £16,521,000 in the Bank's holding of "other" securities. Presumably a large part of the increase in the "other" deposits represents money raised by the Bank in connection with the new loan. In consequence of the great addition to the Bank's liabilities and loss of reserve, the proportion of reserve to liabilities has fallen this week from 18.87 per cent. to 16.16 per cent. This is the lowest figure since August last.

## MONEY IN NEW YORK.

THE supply of money in New York remains superabundant, and loans for the day can easily be obtained at under 2 per cent. The reserves of the New York banks last week increased £696,000, but in consequence of a substantial increase in the deposits the surplus reserve was reduced £294,000 to £39,006,000. The exchange upon London, after recovering, has again declined, and now stands at the low figure of 4.76½ for sight drafts.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate	Par as usually quoted	Dis-count
London ... sight	\$4 76½	4 86½ dollars for £1	2½
" ... cables	\$4 77½		1-9
" ... 60 days	\$4 74½		2-9
Amsterdam ... sight	39½c.	40½ cents for 1 guilder	0-7
Berlin ... sight	81½c.	97½ cents for 4 marks	14½
Copenhagen ... cheques	26½c.	26½ cents for 1 kronen	2-1
Italy ... sight	6.15l.	5.18 lire for \$1	18-7
Paris ... sight	5 05 fr.	5.18 francs for \$1	8-5
Petrograd ... sight	38c.	51½ cent for 1 rouble	26-2
Mexico ... Mex. silver \$	37½c.	U.S. 60¢, U.S. for 1 Mex. \$	25-9
Switzerland ... sight	5 45 fr.	5.18½ francs for \$1	4-9
Vienna ... sight	15 12c.	20½ cents for 1 kronen	25-5

Rates for prime commercial paper and for call loans in New York are as follows:—

July 1, 1915...	Prime paper ...	3-3½%	Call money ...	14%
July 2, 1914...	" "	3½-4½%	" "	2%

## POSITION IN INDIA.

THE demand for exchange remains exceptionally light. Indeed, the remittance of a moderate amount of money from India to London for the purpose of participating in the new War Loan has brought about a decline in exchange to 1s. 33½d. There were practically no applications for the 10 lacs of Council drafts offered this week.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent. (June 4, '15)

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, June 30, are:—

Date.	BILLS.			TELEGRAPHIC TRANSFERS.			
	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
1 3½	Rs. 30,000	Rs. 30,000	100	—	Rs. —	Rs. —	—
		Offered.		Tendered.		Accepted.	
Grand Total ...	Rs. 10,00,000	Rs. 30,000		Rs. 30,000		Rs. 30,000	

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

Calcutta ...	Bills.			Telegraphic Transfers.		
	Rs.	Average.	Minimum.	Rs.	Average.	Minimum.
...	Rs. 30,000	1/3.937	1 3½	Rs. —	—	—

The following Special Sale has since been made:—

Bills on Madras ...	Rs.	At
...	3,24,536	1/3½

From April 1 to June 29 inclusive the Council have granted remittances for Rs. 2,65,67,441, realising £1,768,922. Up to June 30 of last financial year the total Bills and Transfers sold was Rs. 3,98,53,332, realising £2,681,629. The total sales for the week ended June 29 amounted to Rs. 4,00,000, realising £26,614. The amount to be offered for tender next Wednesday will be 10 lacs.

## SILVER.

THE Silver market has been weak, and from 23½d. the price fell to 22½d., from which it has recovered to 22½d. There have been no orders from India, while the demand from China has been light. The stock of silver continues to accumulate in the Indian Currency Department, the amount of coined silver now being 3,473 lacs, an increase for the week of 109 lacs.

	June 20	26	28	29	30	July 1	2
London ...	23½	23½	23	22½	22½	22½	22½
India ...	Rs. 60½	60½	59½	59½	59½	59	59
Exchange	1/3½	1/3½	1/3½	1 3½	1/3½	1/3½	1 3½

## Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

Settlement Days.	TICKET DAY.	PAY DAY.	CONSOLS.
	Tues., July 13 Wed., July 28	Wed., July 14 Thurs., July 29	Thurs., Aug. 5

These dates apply to closing of old positions unsettled, or interest adjustments on Contangos.

Two events of the week call for notice. First, what may be called in brief the "Talon" notice issued by the Bank of England on Tuesday, and, secondly, Parliamentary action dealing with the case of trustees by means of a short measure called the War Loan (Trustees) Bill. This measure will enable trustees to borrow money for the purpose of obtaining conversion of securities under the War Loan Act of 1915, and is dealt with in subsequent editorial remarks.

The notice issued by the Bank virtually sets at rest what has been a fairly prevalent idea in professional quarters. It has generally been assumed that some form of detachable and marketable option rights would be created. It is now made known that after the payment of the instalment of 10 per cent. due July 20, 1915, the holder of each allotment letter will, on giving it up, receive in lieu thereof a scrip certificate, to which will be attached (in addition to the coupon for the dividend payable December 1, 1915) "a conversion rights talon." Before application is made to exercise conversion rights attached to the scrip certificate, full payment of future calls has to be made, and then the certificate and talon with Consols or old War Loan must be exhibited to the Bank of England, which will detach and retain the "talon" to vouch for conversion, returning the fully-paid scrip certificate of new War Loan to the owner. A "talon" without scrip, or scrip without a "talon," will not carry conversion rights.

The holder of Consols or old War Loan who desires to convert will have to buy a scrip certificate of the new Loan with the "talon" attached. He will till October 30 have the right to present at the Bank of England the scrip in fully paid form (with "talon") and scrip to bearer of Consols or old War Loan in respect of which rights are to be exercised, or, in the case of inscribed stock, earmarking all or part of an amount standing to his credit in the Bank's books. Applications to split certificates to suit the convenience of the presenter must be made in person at the Loans Office of the Bank of England. After the documents presented have been checked and verified, the Bank will detach the talon giving rights, and hand back to the presenter the new Loan certificate *ex* rights.

In brief, the holder of old stocks who desires to convert will have to secure enough new War Loan *cum* rights as will enable him to convert, and then, after having used such document for conversion rights, he will be able to sell his scrip "*ex* talon"—i.e. "*ex* rights." The applicant for War Loan who has no stock to convert will be able to make application for an allotment, and if his application is acceded to will receive certificates with talon. He can, with an advantage, sell these—*cum* talon—certificates and purchase certificates *ex* talon or *ex* rights. As we pointed out last week, it is very desirable that those who have no stock to convert should assist persons who possess old stock, and who have no further resources in cash to enable them to effect conversion.

Different calculations have appeared as to the amount that on payment in full on July 20 will be allowed as to the 4½ per cent. discount on calls anticipated. We understand that the exact amount is

10s. 8d. per £100 nominal of stock. Calculations have been made a penny difference both ways.

It had been the hope of a great number of persons that the "rights" would take the form of some piece of detachable and transferable paper which could be bought in the market and used for exercising such rights to convert old stocks held, but this procedure is not to be adopted. It may be emphasised that the virtue attaching to the *cum* rights scrip holds to October 30, and in the interval to that date there will doubtless be fluctuations between the values of certificates *cum* talon and certificates *ex* talon.

The procedure of enabling trustees to borrow for the purpose of carrying out conversion will greatly assist those persons who have Consols or old War Loan stock, and in large part the loans that may have to be arranged by trustees will be of a temporary nature. Further, it has to be borne in mind, as regards the facilities afforded to trustees, that the main form of British Government securities held is Consols.

The open-market transactions during the past week in Consols are represented to have been small, and business on a large scale in convertible stocks has been confined to the old War Loan, the price of which has fluctuated between 93 $\frac{3}{4}$  and 94 $\frac{1}{4}$ —a rise from 93 $\frac{1}{2}$  to over 94 and reaction to former price.

The endeavours of a great number of persons to dispose of miscellaneous stocks, such as railways and industrials, so that the proceeds could be invested in War Loan, has, in an unwilling market, brought about a further shrinkage in prices. It is to be recollected there is a mass of securities to which the minimum price restrictions applies, and as these fixed prices cannot be obtained persons have had to sell securities where these restrictions are non-existent; hence it is that home railway Ordinary stocks, foreign and Colonial railway securities, and miscellaneous industrial and bank shares have depreciated very considerably.

At the close of the week in the main there was a fair recovery in prices, especially in home railway Ordinary issues and bank shares, which, on the pressure of selling, had been allowed to drop down to what was regarded by professionals as appreciably under intrinsic value. Although it is a matter of common knowledge that large amounts of American securities held by the British have been sold, it is satisfactory to notice that prices in New York have been fairly well held, and this both as to fixed interest-bearing bonds and dividend securities. As against the effect of constant selling by holders in this country has to be set the fact that in the United States itself producers are securing benefit from the high prices for grain, hay, &c., and also in regard to metals. The savings being effected by a large section of the American people are being freely invested. One noticeable exception to the general agricultural prosperity is, of course, the cotton industry.

### THE NATION'S EXPENDITURES.

In the three months to the end of June the actual expenditure has been £258,473,000, or at the rate of £1,037,000,000 a year. In the March quarter the expenditure was £240,000,000. Doubtless in the past quarter the expenditure would have been still greater but for sales of wheat and sugar purchased some months ago. The daily average expenditure of £2,840,000 is rather less than we calculated a short time ago. This, however, does not affect the expenditures as calculated by Mr. Asquith, who placed

the War outlays at about £3,000,000 a day and the total expenditure at a still greater sum. To show the growth of the actual expenditures of the British Exchequer since the War began we give the following statement:

#### Actual Expenditures of British Exchequer, 1914-15.

Quarter ended	Expenditures £	Per Day £
June 1914 (normal) ...	46,616,000	512,000
September 1914 ...	87,181,000	947,000
December 1914 ...	186,098,000	2,022,000
March 1915 ...	240,578,000	2,673,000
June 1915 ...	258,473,000	2,840,000

The revenue is coming in quite as well as was expected, and for the quarter amounts to a sum of £51,297,000, in comparison with £40,500,000 in the corresponding quarter of last year. There was thus a deficiency for the three months between revenue and expenditure for the quarter of £207,000,000, which was covered by the issue of £173,000,000 of Treasury Bills, the receipt of £19,000,000 on balance from the last War Loan and Exchequer Bond issues, and by reducing the cash balance.

### LIMA RAILWAYS.

THE directors of the Lima Railways Company announce a dividend of 1 $\frac{1}{2}$  per cent. in respect of the year 1914, the same as for the preceding year, whilst the balance carried forward is raised from £1,050 to £1,915. Owing, however, to the financial crisis caused by the War, the money needed to pay the dividend has not yet been remitted to London, and, consequently, the payment thereof is to be made at the discretion of the Board as and when the money is received on this side. This, at any rate, is the resolution to be submitted at the general meeting to be held on the 7th July.

The profit for the year is smaller by £231 than in 1913, in consequence of the reduced rent received from the Associated Companies in respect of the lease.

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To the Holders of:—

3 $\frac{1}{2}$ % WAR LOAN 1925-1928.    2 $\frac{3}{4}$ % ANNUITIES.  
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- (2) Repayment of the Loan at a date to be agreed.
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DIRECTORS.

The Hon. SIDNEY PEEL, Chairman.    F. O. STREETEN.  
G. H. BENSON.                      J. H. NEWCOMB, Managing Director.

Applications to be addressed to The Secretary,

**THE LONDON FOREIGN & COLONIAL  
SECURITIES LTD.**

**24 Throgmorton Street, London, E.C.**

Referring to this, the directors point out that the reduction in the receipts of the local receipts of cargo in the last year should not be considered in the calculation of the total receipts. The directors also point out that the receipts of the last year are not yet final. Regarding the arbitration as to the £1,000 per annum claimed under the lease for the previous three years, the directors are, they say, now awaiting the decision of the final court. The total receipts for the year show a diminution of £364; and, as expenses were slightly heavier, the net earnings declined £498. In the following table is set out the main results of working for the last six years:—

	1910	1911	1912	1913	1914	1915
Gross Receipts	11,850	11,400	11,100	11,000	11,000	11,100
Less: Freight	1,800	1,750	1,700	1,700	1,700	1,700
Net Receipts	10,050	9,650	9,400	9,300	9,300	9,400
Less: Expenses	1,100	1,200	1,300	1,400	1,500	1,600
Net Earnings	8,950	8,450	8,100	7,900	7,800	7,800
Dividend	5,307	5,465	11,742	6,348	6,650	7,387
Surplus	3,643	2,985	—	1,552	1,150	413
Dividend per Share	6.000	6.000	—	6.000	7.000	Nil
Rate per Share	(14%)	(14%)	—	(14%)	(14%)	—
Balance	805	1,000	1,000	1,000	1,000	1,000
Brought forward	1,000	1,000	1,000	1,000	1,000	1,000
Carried forward	1,805	2,000	2,000	2,000	2,000	2,000

It should be noted that the rental received in respect of the lease is now at the minimum, and that the profit produced is equal to about  $1\frac{3}{4}$  per cent. on the shares. This means that the Company should be able to at least maintain the existing rate of distribution and may be able to increase it to  $1\frac{3}{4}$  per cent., and possibly to 2 per cent., in the event of the courts deciding in its favour the legal questions now in dispute. The last transaction recorded in the Company's shares was done at 22s. 6d. only.

## GREAT INDIAN PENINSULA RY.

THE announcement by the Great Indian Peninsula Railway Company of a dividend of 3s. 6d. per cent. on the capital stock in addition to the guaranteed interest of 3 per cent. in respect of the past year, clearly indicates that the Company has suffered severely as a result of the War. Twelve months ago the dividend was at the rate of £1 per cent. per annum, whilst for the nine months to March 31, 1913, 16s. per cent. was distributed, being at the rate of £1 1s. 4d. per cent. per annum. The following dividend payments have been made by the Company in the last few years:—

Great Indian Peninsula Railway.				
Period	Guaranteed Interest Per Cent.	Dividend from Surplus Profits	Total Distribution	
Year to March 31, 1915	3	0 3 6	3 3 6	
" " 1914	3	1 0 0	4 0 0	
9 months to March 31, 1913	3	1 1 4*	4 1 4	
Year to June 30, 1912	3	1 12 0	4 12 0	
" " 1911	3	0 11 0	3 11 0	
" " 1910	3	1 3 0	4 3 0	

\* Actual distribution for the nine months was 16s. per cent., being at the rate of £1 1s. 4d. per cent. per annum.

A heavy decrease in gross earnings was accompanied by a considerable saving in working expenses, nevertheless the net earnings at Rs. 2,86,16,000 for the year show a diminution of Rs. 88,71,000, or nearly 24 per cent. Interest charges were heavier, and the Company's one-twentieth share of surplus profit, less sundry charges, amounts to only Rs. 62,138, as compared with Rs. 3,91,056. The price of the guaranteed stock is about 90, which is also the minimum, and the yield from the past year's dividend is £3 11s. 9d. per cent.

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## Mining Topics.

THERE has been an absence of appreciable movements in prices in mining securities, notwithstanding the decline in general Stock Exchange securities not controlled by minimum prices, and this is due to the Mining market being one *sui generis*. It has to be recollected, too, that gold-mining shares, from the point of view of output, are rather stimulated by the War, as the nations of the world must have gold, and it is necessary to keep mines fully employed. Somewhat similarly with base-metal mines. Then, as to prices, it has to be borne in mind that the valuation of the present market is very different from what it was in the middle of July 1915, and before the War was even dreamed of the market valuation of shares had shrunk appreciably during an extended period, not only as regards mines of indifferent characterisation, but even well-managed mines of proved stable merit. There are, of course, cases where either through financial misfortune or physical discomforts the position had deteriorated, but there are also instances where the position has tended to steadily improve, and in some cases appreciably so. A holder of well-selected shares based on intrinsic merit is indisposed in these times to go into other ventures where there is less assurance of an adequate return on capital invested. In the case of the large number of mines that have given disappointing results over a series of years, quotations have receded to shillings or even pence, and the man who has witnessed such a shrinkage in values and sees the price at a tenth or twentieth of what it used to be, is indisposed to cut his loss, tenaciously holding on in the hope of a change for the better in prices. The tendency of the market, nevertheless, has upon the whole been dull, exceptions, indeed, being few.

It is curious to notice that the sharp fluctuations that have lately occurred in the price of the metals have had very little sympathetic effect on the share market. Last week we referred to the very considerable decline that had occurred in the price of copper, erroneously stating it had receded to about £60

"spot" and £61 "forward," instead of £50 and £51 respectively. Most of the shares of leading copper companies have scarcely changed more than a small fraction. The further decline in the price of the metal to about £79½ for "spot" and £80½ for "forward" means a setback of £7 or £8 compared with the best recent quotations. Tinto shares have varied but slightly from the long-maintained level of about an average of £59. The statistics of copper for the month of June just published by Messrs. Merton show a very sharp change. The deliveries for the month were only 28,185 tons against 43,429 tons for May, and the supplies of 32,136 tons against 46,032 tons. The stock and visible supply was increased to 38,041 tons at the end of June, which is an increase compared with the month previously of about 4,000 tons.

Messrs. Merton and Company's figures as to the European statistical position at dates given have been as under:—

	1915			
	June Tons	May Tons	April Tons	March Tons
Stocks, England and France ...	27,293	22,742	18,639	17,858
Asiatic, Chile and Australia ...	5,625	6,225	7,725	6,075
Stocks, Holland and Germany*	5,123	5,123	5,123	5,123
" other European ports ...	500	500	500	500
Total ...	38,541	34,090	31,987	29,556
Supplies, England and France ...	32,136	46,032	34,242	43,272
Deliveries " " ...	28,185	43,429	31,811	48,591
Price (standard) end of period ...	£81 15s.	£79 2s. 6d.	£77	£69 2s. 6d.

\* German and European stocks, other than Holland, assumed same as for July 1914 each month since.

In the South African market higher priced issues have dropped, including Rand Mines, Central Mining, Crown Mines and Modders. A slightly sympathetic decline has occurred in Modder B's, but Modder Deep shares have held their ground very well, being only a sixteenth off the quotation of a month ago. Gedulds, after receding momentarily to 26s. 9d. have rallied to about 28s. 9d. The two last-named mines are for the time being in favour.

Diamond shares have further drooped, and are quite out of favour.

The Russian group has not only been neglected, but prices are heavy. Russo-Asiatics at 4½ are more than a pound lower than they were a few weeks ago.

The Rhodesian market is distinctly under a cloud, and a great number of persons are suffering from the dwindling in prices that is going on, especially in Chartered shares, which are now quoted only about 9s. 6d. each.

**Globe and Phoenix.**—The first interim dividend on account of the earnings of 1915 has this week been announced. It is 1s. per share, against 1s. 6d. per share paid quarterly in respect of the earnings of 1914. A contrast of the Company's aggregate annual distributions in respect of the years named is as under:—

1914	1913	1912	1911	1910
6s. 0d.	6s. 3d.	7s. 0d.	8s. 0d.	5s. 9d.

### BRAKPAN'S LIFE.

We called attention in THE STATIST of May 29 to a cabled report of a calculation put forward by the Chairman at the meeting of the Company, held on May 25 in Johannesburg, as to the ore contents of the 441 claims opened upon. As an abbreviated report of the meeting appeared in our issue of last week at page 773 we may again call attention to the Chairman's statement:—"You will, therefore, be interested to hear the result of a recent calculation, which indicates that, on the basis of present working conditions, an average of about 10,000 mill tons of profitable ore per claim will ultimately be extracted from the 441 claims already opened." This statement in its present form is liable to be misinterpreted.

In the last issue of "M. O. A." we set out that a forecast as to what the life of the mine will be is mere guesswork. We then added that with a dip of about 8 degrees, reef stoped, say, a width of 61 inches, and an allowance of 15 per cent. for sorting, the net mill tons per claim on such data in respect of the pay-

able portion of the area should approximate 24,900 tons per claim. But the Company since the beginning of operations in the area developed upon has only exposed payable ore in about 50 per cent. of the total developments.

Reverting to what we said in "M. O. A." we were basing our rough calculation on only 50 per cent. of the area containing payable ore. We deducted approximately half of the total 1,150 claims, and in respect of remaining 580 claims we estimated the contents as 24,000 mill tons. Or, in other words, whereas the Chairman referred to a calculation of 10,000 mill tons per claim on a total area of 441 claims, we referred to 24,000 tons per claim on half the area as payable. Putting the matter in another way, our calculation was 12,000 mill tons, compared with the Chairman's 10,000 tons per payable claim. We recapitulate:—

		Tons	
Say 580 claims (approximately half the total area of 1,150) at 24,000 tons per claim ...		13,920,000	
Used to end of 1914, say ...		2,110,000	
Remaining at January 1, 1915 ...		11,810,000	

With the mill dealing with, say, 620,000 tons per annum the life would be approximately 19 years, according to our calculation.

### TRANSVAAL G.M. ESTATES.

Writing a year ago upon the results of this Company for its financial year to March 31, 1914, we took note that the profits obtained were a record. With very close indeed to the same quantity of ore milled in the year 1914-15 as in 1913-14, it is regrettable to notice that there has been a very heavy falling-off, in the main due to diminution in the value obtained from ore dealt with. With nine months of this feature, there came in the March quarter the blow of work being greatly interfered with by the excessive rainfall, the consequent floods causing an enormous amount of damage, the caving in of adits, and the necessity here and there in the several deposits to shut down mining operations temporarily. In the month of January 1915 the rainfall was 25 inches—in one night 4.1 inches. This caused the flooding of the whole country and the collapse of the mining works in soft formations. The rainfall in February was 8.73 inches. Happily the Belvidere Power station, in the words of the report, "not only continued its good service, but stood well during the flood." The effect of climatic conditions continued to be felt after the end of the financial year—March 31—and the outlook of the three months to June 30 is a profit result of little if anything more than half that for the corresponding quarter last year. The detail of the combined milling operations is given in the table which we usually publish intermittently in THE STATIST and for convenience is reproduced below:—

**Transvaal G. M. Estates.**—£604,225 in £1 shares; £77,992 of 5% Debentures. Three tube mills.

Year ends	Tons	Revenue	Expenses	Profit	Price	
Mar. 31	Stps.	Milled	Amt. Per ton	Amt. Per ton	end of Period	
			£	£	2½	
1913-14 ...	75	166,410	474,949 57/1	189,693 22/10	285,256 34/3	1½
1914-15.						
June, qr. ....	75	43,475	117,249 53/10	49,904 22/11	67,345 30/11	1½
Sept. q. r. 75		44,920	109,351 48/8	50,017 22/3	59,334 26/5	—
Dec. q. r. 75		42,380	106,764 50/5	47,262 22/4	59,502 28/1	—
Mar. q. r. 75		31,135	75,133 48/3	37,568 24/2	37,565 24/1	1½
12 mos. ....	75	161,910	408,497 50/5	184,751 22/9	223,746 27/8	1½
1915-16.						
Apr. ... 75		11,530	—	—	13,582 23/2	1½
May ... —		12,540	26,301 41/11	15,484 24/8	10,817 17/3	1½

Dividends—1914, March, 17½; Sept., 17½ per cent.  
1915, March, 12½ per cent.

Before we set out a contrast of each of the last two years we may state that the Company's properties are worked in three different sections: the original Pilgrim's Rest centre, with its several ore deposits, termed the Central; the Elandsdrift, about twenty miles to the south; and the Vaalhoek, twelve miles to

the method of Pilgrim's Rest. The position as to the Central Reef stamps. Vaalhoek 10, Elandsdrift 5. At Vaalhoek recent developments have been so encouraging that a small tube mill to supplement the battery has been ordered. At Elandsdrift a further 5 stamps is in course of erection.

It is interesting to have particulars of the results of each section, and reference to the detail we give below shows that the Elandsdrift, though it deals with no great quantity of ore, yields very large profits per ton and is really important. Similarly, though to a much less extent, the position as to the Vaalhoek. But with the Central the position is quite different, and the profits of this area were about nine shillings—or, to be exact, 9s. 3d.—per ton less than in 1913-14.

Year	Revenue	Expenses		Profit
		£	Per Ton.	
1913-14	10,800	2,800	17	8,000
1914	12,800	25,555	32	11,245
1915	10,800	20,100	17,577	19,11
1916-17	7,804	20,88	100	24,259
1917	8,040	37,476	93	29,434
1918	7,985	41,186	103	33,201
1919-20	148,600	107,8	119	245,296
1920	140,500	408,884	58	241,662
1921	136,375	278,10	106	183,522

selection of mynpacht from the western to the eastern portion of the farm. The option to purchase the farm out and out had been taken up in December 1902, the purchase price being £57,500 in cash and 2,500 shares.

The capital of the Company was all raised under the ægis of the Oceana Consolidated Company, but changes in the directorate and officials appear to confirm the idea that in 1910 the control of the Company was secured by what is known as the "Abe Bailey group." About the time of this change of control the proposition was put forward, though it was not adopted, that there should be a fusion of interests of the Welgedacht, Cloverfield and the Geygerle companies, the two latter being also controlled by the "Abe Bailey group." In 1911 there apparently was friction in connection with the directorate, and the board has since represented various interests. Johannesburg and London opinions as to policy, too, seem to have clashed.

In 1909 the sinking of a shaft was commenced, and was intended to intersect reef about 470 feet south-east of bore 6, where at the depth of 1,906 feet reef had been encountered in the bore. When by October 1911 the shaft had been carried down to a depth of 724 feet, the funds of the Company had become so low that it was decided to stop work and utilise the shaft so far as it had been sunk for the purpose of operating the coal strata, at a depth of 187 feet, that had been developed on and in respect of which production had commenced in 1907. The maiden dividend of 5 per cent. in respect of 1914 was derived from coal sales alone, after a long period of struggle to attain profit results.

The Company's financial policy will be best shown by a tabular analysis. We give this subsequently, and show the various increases in the amount of capital and the prices and dates of issues that were made. The money in large part was frittered away, in the too frequent South African manner, through a policy of seeking to add area to area instead of dealing with the property initially obtained. Through the acquisition of shares control was secured of an undertaking termed the New Rand Exploration, and another undertaking, the New South Rand, was also invested in. The properties of such companies proving to be outside the reef area very heavy losses were made on both these investments, which, together with writings off for depreciation, necessitated £276,750 in all being abstracted from the total of £326,750 derived from premiums on shares disposed of at varying prices, and the cash resources of the Company at June 30, 1914, were about £45,000. Reference to the prices secured for working-capital shares suggests the following tables, which set out (1) the dates of the various increases of capital, and (2) the issues made and the premiums secured:—

1899.	Initial capital authorised	...	...	...	...	£
1902.	Increased to	...	...	...	...	85,000
"	" (later in the year) to	...	...	...	...	125,000
1906.	Increased to	...	...	...	...	250,000

Issues have been made as under:—

		Shares	Premium Obtained
1899.	For option	20,000	—
"	" Working capital at par	20,000	—
June 1900.	" " at £3 per share	20,000	40,000
Mar. 1902.	" " at £6 " "	20,000	100,000
(Pro rata one for three old, guaranteed)			
June 1902.	Working capital at £7 per share	5,000	30,000
"	Issued to New Rand Exploration	7,500	—
"	" Vendor of farm	2,500	—
Nov. 1904.	Working capital at £6 10s.	9,500	52,250
(Pro rata one for ten, guaranteed)			
May 1909.	Working capital at £3	52,250	104,500
(Offered pro rata and guaranteed)			
		*156,750	326,750

\* Total shares issued to June 30, 1914.

The position disclosed in the balance sheet at June 30, 1914, has to be taken into consideration in calculations as to the future. Such position may be condensed as shown on next column.

Capital	...	...	...	£	158,750
Premiums	...	...	...	£	326,750
Less applied to writing-off losses on investments, depreciation, &c.	...	...	...	£	276,750
Balance of premiums set aside to reserve	...	...	...	£	50,000
Unappropriated profits	...	...	...	£	12,041
					218,791
					218,791

For the year to June 30, 1913, the profit in respect of a coal output of 108,270 tons was £5,562, which was carried forward to 1914. For the year to June 30, 1914, the clear profit in respect of 119,360 tons produced was £6,480. A 5 per cent. dividend for the year, calling for £7,837, was paid, so that the balance brought in had to be trenched upon and the balance carried forward was £4,205. The output of coal continues to expand, but nothing material in the way of profit results can, in the circumstances, be looked for beyond the possible continuance of the 5 per cent. dividend.

It is the gold section that calls for consideration—whether or not the action of other companies operating in the Eastern Rand region is to be followed? In 1908 the then Consulting Engineer, Mr. Recknagel, made a report to the then board, which was adverted to by the Chairman, Mr. Jeppe, at the meeting held in Johannesburg in September 1911. Mr. Recknagel in his report dated October 22, 1908, outlined a scheme for the development of the gold section. In part the scheme was subsequently acted upon; but Mr. Recknagel in detailing the estimated cost of sinking a three-compartment shaft, and also doing 5,000 feet of development work, put the cost at £150,000. Such work, he considered, would allow a safe conclusion as to the payability of the reef. Should the results encourage the proceeding with provision of a reduction plant, he estimated that further development and the erection of a 50-stamp mill and accessories would cost £350,000. In commenting upon this statement, the Chairman at the 1911 meeting called attention to it being necessary to sink a second shaft, and to make the shafts of a five-compartment pattern, and, he added, "we cannot hope to reach the producing stage before the expiration of another five years." In the circumstances, and especially having regard to the War, it is improbable that the directors will come to a decision to take action, and probably it is this indefiniteness that accounts for the market neglect complained of in respect of Welgedacht shares. The bore showings were not exhilarating, but, of course, bore indications at a tiny point are no criterion of what may be found when development is effected on a decent scale.

## PRESTEA BLOCK A.

FROM all points of view 1914 appears to have been a very unsatisfactory year for the Prestea Block A mine, and the realisation of the very high hopes of the past still seems to be far off. The annual report just issued shows that during 1914 270,732 tons of ore were milled, in comparison with 229,990 tons in 1913, but the gross gold contents of the ore averaged only 39s. 6d. per ton in 1914, against 41s. 5d. per ton in 1913, and there was a further decline in the extraction to the very poor figure of 79.8 per cent., in contrast with 81.1 per cent. in 1913. In consequence of these adverse factors the gold yield of the ore dealt with in 1914 fell to 31s. 7d. per ton, against 33s. 8d. in 1913. Taking into account development outlay, the working costs of 1914 were practically the same as in 1913—viz., 25s. 6d. per ton, and consequently the 2s. reduction in the gold yield had the effect, notwithstanding the increased quantity of ore milled, of reducing the working profit of 1914 to £82,536, or 6s. 1d. per ton, in comparison with £91,705, or 8s. 1d. per ton, in 1913. So far in the current year

there appears to have been very little improvement in the position as seen from the following table:

	1914	1913	1912	1911
7th Dec. 1911	884	818	81	28,410
12th Dec. 1912	107,110	864	40	18,102
12th Dec. 1913	113,000	811	118	91,000
1914	120,500	498	111	82,500
1915.				
Mar. quarter	110	29.5	23.1	21,287
April	117.9	1/3	11.2	8,397
May	118.0	—	1.8	5,887
5th Dec.	120,500	1/3	11.0	38,571

After allowing for sundry receipts and paying loan interest and costs in connection with experimental and research work, the net profit of the year is shown by the figures given in the profit and loss account as £73,399. From this deduction to the extent of £43,567 is written off, and the balance profit of £29,831 is added to the carry-forward, increasing it to £67,172. This is shown in the following table, which also shows the reduction which has taken place in the surplus liquid assets, excluding stores, and in the amount of the loan outstanding.

	1914	1913	1912	1911
Gross receipts	427,801	387,044	286,370	100,557
Brought forward	58,341	—	Dr 171,201	(Dr) 10,966
Total	486,200	387,044	282,325	143,601
Allocations:				
Underground costs	158,637	148,800	108,058	58,028
Reduction costs	91,120	79,014	67,833	41,081
Development	61,828	45,008	34,464	14,895
General expenses, Africa	33,834	26,154	5,146	15,014
London expenses	3,597	4,221	5,826	2,744
Interest	6,415	8,881	8,907	1,930
Depreciation written off	43,567	45,580	24,091	21,253
Carried forward	67,172	38,341	(Dr) 11,254	—
	486,200	387,044	282,325	143,601
Surplus liquid assets*	26,471	47,350	18,900	24,475
Amount of loan†	70,000	127,149	152,625	100,673
Issued capital	1,049,876	1,049,876	1,049,876	1,049,876

\* Respective of loan.

† Including interest.

(Dr) Including £43,567 experimental and research work.

The figures given above require explanation, and especially the reduction in the surplus liquid assets despite the heavy depreciation provided and the large addition to the carry-forward. The sums written off for development redemption and plant, &c., depreciation exceeded the expenditure for the year on these items by £43,696; and as the balance profit added to the carry-forward was £28,832, it follows that the net profit of the year was actually £72,528. To this has to be added the decrease of £10,879 in the surplus liquid assets, making the total funds disposed of £83,407. This sum was absorbed by the amount of loan and interest outstanding being reduced during the year by £57,149 and the value of stores increased by £26,258—from £56,290 at December 31, 1913, to £82,548 at the end of 1914. This is clearly shown below:—

Net profit of year 1914	72,528
Decrease in surplus liquid assets	10,879
Total funds disposed of	83,407
Outlays—	
Amount of loan reduction	57,149
Expenditure on stores	26,258
Total	83,407

It is necessary to emphasise the fact that of the carry-forward of £67,172 at the end of 1914 only £26,471 was represented by liquid assets. Against this the amount of the loan outstanding was £70,000, and as the issued capital is £1,049,876 it will be evident that the payment of dividends at present is impossible.

The underground position of the mine does not appear to have improved in the past year. The extraction of gold obtained from the ore is, as we have pointed out, very poor—under 80 per cent. in 1914—and it is to be hoped that the experiments being conducted will result in improvement. If so the outlook will to that extent be bettered. On the other hand, the information given in the report does not on close examination reveal an exhilarating state of affairs.

The official estimates of ore reserves of 1913 and 1914 contrast adversely as under:—

	Ore Reserves.			
	Dec. 31 1913	1914—	Dec. 31 1913—	1914—
	Value	Value	Value	Value
	Shillings	Shillings	Shillings	Shillings
North section	212,088	—	202,904	43.73
Madagascar	226,176	47.10	253,190	45.2
South section	115,873	—	167,807	36.7
1914 total	554,137	—	623,891	—
	646,610	—	691,670	41.31

These figures show a decrease of 45,060 tons in the tonnage of the ore reserves, and yet the General Manager's report states that the ore developed fell short of the ore crushed by about 16,000 tons. The discrepancy seems to call for official explanation. Then, again, the General Manager gives the quantity of ore developed in 1914 as 254,670 tons, value 42.76 shillings, which is 1.46 shillings above the average value of the ore reserves at end 1913. But against this we have the officially stated fact that the ore crushed in 1914 had an average gross value of 39s. 5d., or 1.8 shillings less than the average value of the 1913 ore reserves, and the official figures also show that the value of the reserves at December 31, 1914, was 2.8 shillings less than the value at end of 1913. How can these figures be reconciled? Assuming the ore-reserve estimates of 1913 and 1914 and the official figures of the quantity and value of the ore milled are correct, it follows that the ore developed in 1914 must have been only 225,672 tons, value 31.1 shillings, against the official estimate of 254,670 tons, value 42.76 shillings per ton. This will be evident from the following calculation:—

	Tons	Value per Ton Shillings	Gross Value Shillings
Ore reserves at end 1914	646,610	38.5	24,894,485
Ore milled during 1914	270,732	39.5	10,693,914
	917,342	38.8	35,588,399
Ore reserves at end 1913	691,670	41.3	28,565,597
Ore developed in 1914	225,672	31.1	7,022,428

The above shows that the ore developed in 1914 was of very poor grade as an average, but it may be that further development in 1914 proved the 1913 estimate of ore reserves to have been over the mark both as regards tonnage and average value. This possible explanation, which appears to be confirmed by the published plans, would account for the apparent discrepancies noted above in regard to the tonnage and value of the ore developed in 1914.

As regards the dividend outlook a great deal depends upon whether or not the extraction of the gold contents of the ore can be substantially increased.

The capital is a large one, there is an outstanding loan—now reduced to £25,000, partly out of profits already earned in the current year—and continual necessity in a country with a climate such as West Africa has to provide large sums for depreciation of plant, &c., and in addition the accumulated development expenditure, standing in the balance sheet at £327,048, or just on 10s. per ton of ore reserves, will require to be written off. In these circumstances the profits of the future will have to be very much larger than yet shown in order to pay even 10 per cent. annual dividends. However, as the price of the £1 shares is only 11s. 3d., the present adverse position of the undertaking is discounted to some extent.

**Sudan Gold Field.**—Capital £63,874, in 10s. shares.

Year ends	Ore Milled Tons	Gold Value £	Yield Per Ton	Total Working Costs Per Ton	Profit—£ Per Ton	Price of Shares end of Period
Dec. 31 1913	16,486	49,898	60/8	36/3	20,047 24/5	5/6
1915.						
Mar. quarter	—	12,828	—	—	—	7/9
Apr.	1,470	4,063	55/1	—	—	8/6
May	1,383	4,613	69/9	—	—	8/6

Dividends—1915, March, 1/0.

The monthly gold yield is adjusted to the net amount realised on the receipt of the figures the following month.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, June 30, 1915.

## Issue Department.

Notes Issued.....	£69,530,250	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	61,080,250
	£69,530,250		£69,530,250

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ...	£51,043,491
Reserve .....	3,087,078	Other Securities .....	152,914,703
Public Deposits .....	81,514,428	Notes .....	34,893,970
Other Deposits .....	140,654,115	Gold and Silver Coin .....	1,011,844
Seven-day and other Bills .....	55,187		
	£239,883,808		£239,883,808

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Both Depts.	Deposits Public Other	Securities Govt. Other	Re-serve	Ratio Reserve to Liabilities.	Bank Rate %	Three Months' Bills
1914.	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	40.03
1915.								
May 26	32.9	61.7	132.1	87.7	51.0	139.3	47.2	21.50
June 2	33.5	58.6	131.7	84.0	51.0	138.9	43.5	20.20
— 9	33.1	59.3	123.3	91.0	51.0	136.8	44.7	20.80
— 16	32.9	56.5	113.0	101.7	51.0	139.5	42.0	19.56
— 23	33.1	54.1	99.6	109.6	51.0	136.4	39.5	18.87
— 30	34.6	52.1	81.5	140.6	51.0	162.9	35.9	18.18

July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 6, 6%; Aug. 8, 5%

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.	£	£	£	£	%
Total to June 2...	113,643,227	67,952,714	45,690,513	28,500,000	62.3
Week to " 9...	1,849,771	1,850,923	45,689,361	28,500,000	62.3
" 16...	1,861,283	1,908,952	45,641,692	28,500,000	62.4
" 23...	2,013,273	1,757,925	45,897,040	28,500,000	62.1
" 30...	2,403,224	1,723,463	46,576,801	28,500,000	61.2

## II.—Balance Sheet, June 30, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound ...	34,685,187	Other Bankers	139,000
Ten Shilling ...	11,891,614	Currency Note Redemption A/c—	
Investments Reserve A/c	302,665	Gold Coin and Bullion	28,500,000
		Government Securities	9,585,828
		Balance at Bank of England...	8,654,638
Total ...	46,879,466	Total ...	46,879,466

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Receipts.	Withdrawals.
1915.	£	£
June 24, Thursday ...	Nil.	Nil.
25, Friday ...	Nil.	500,000 bars.
" 26, Saturday ...	Nil.	125,000 sovs.†
" 28, Monday ...	120,000 sovs. Egypt.*	500,000 bars.
" 29, Tuesday ...	57,000 bars.	425,000 sovs.†
" 30, Wednesday ...	5,000 sovs. Straits.†	Nil.
	639,000 bars.	50,000 sovs.†
Total for week ...	821,000	2,100,000
Balance ...	[1,279,000 Out for week.]	
July 1, Thursday ...	200,000 sovs.*	Nil.
" 2, Friday ...	105,000 sovs. Egypt.*	28,000 bars.

\* Released. † Set aside.

‡ Released on account of Straits Settlements Note Guarantee Fund.

**GOLD.**—The net movements of Gold at the Bank of England for the past six weeks have been as follows:—

	Bullion	Treasury Note Redemption Fund	Net Gold Movement for Week
1915	£	£	£
Week ended ...			
May 26...	817,000	786,000	+ 31,000
June 2...	2,291,000	803,000	+ 3,094,000
June 9...	1,275,000	533,000	+ 742,000
June 16...	2,697,000	179,000	+ 2,856,000
June 23...	1,897,000	475,000	+ 2,372,000
June 30...	1,279,000	786,000	+ 2,065,000

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£30.1	£29.9	£29.6	£29.8	£34.6
Public Deposits .....	14.5	21.4	14.7	17.1	81.5
Other Deposits .....	44.7	48.4	46.6	54.5	140.6
Government Securities .....	16.2	13.9	12.7	11.0	51.0
Other Securities .....	33.4	44.8	40.7	49.7	152.9
Reserve .....	27.4	28.9	25.8	28.7	35.9
Ratio to Liabilities .....	46.3%	41.38%	42.14%	40.13%	16.16%
Bullion (both Departments) ...	39.0	40.4	37.0	40.1	54.1
Money:—					
Bank of England Rate .....	2½%	3%	4½%	3%	5%
Bank of France Rate .....	3%	3%	4%	3½%	5%
Rate 3 months' Bills London ...	2%	2½%	4½%	1½%	4%
Exchanges					
Paris Cheque .....	25 15s	25 22s	25 24s	25 14s	26 80
Hamburg 8 days .....	20 47½	20 46s	20 45	20 48s	—
New York 60 days .....	4 8½	4 84-90	4 83-25	4 85-80	4 72½
Bombay Telegraphic Transfers	1/4½	1/4½	1 3½	1/5½	1/3½
Prices:					
Consols 2½% Cash .....	89½	75½	72½	75½	65
French Rente 3% Money .....	58 7½	92 57	83 55	82 95	70 25
Silver, London spot .....	-26 ½	-28½	-27	-26 ½	-22
Wheat, <i>Gazette</i> average .....	31/7	37/10	32 8	34 3	52 0
Cotton, Mid Upland .....	-5/32	-7/8-84	-6/74	-7/53	-5/22
Iron, Scotch pig .....	49/4½	62/4½	65/0	67/1½	72/9

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914 ...	—	—	£4,352	£8,197	£786	£8,693	£47
Apr. 29, 1915 ...	£5,953	£324	6,277	5,701	1,773	11,614	682
May 31, 1915 ...	5,947	320	6,267	5,322	2,294	11,568	555
May 30, 1914 ...	—	—	4,557	4,915	1,339	8,737	240
May 31, 1913 ...	—	—	4,483	4,604	1,211	8,244	186

FRANCE.	Gold.	Cash-Silver.	Total.	Dis-counts.	Circula-tion.	Public Deposits.	Private Deposits.
July 30, 1914...	£165,654	£25,013	£190,667	£97,768	£267,327	£15,302	£37,930
June 24, 1915...	157,087	14,911	171,998	10,347	484,187	2,173	90,997
July 1, 1915...	157,282	14,883	172,125	10,820	488,634	3,281	94,610
July 2, 1914...	162,307	25,555	187,862	71,630	242,048	9,988	39,307
July 3, 1913...	132,618	25,205	157,823	74,311	228,521	9,175	28,008

GER-MANY.	Gold.	Cash-Silver.	Total.	Dis-counts.	Loans & Advances.	Circula-tion.	Deposits.
July 23, '14...	£87,843	£16,727	£84,570	£5,279	£40,055	£94,545	£47,198
June 15, '15...	119,111	2,583	121,674	14,052	215,514	262,201	75,401
June 23, '15...	119,229	2,585	121,814	14,551	211,757	261,245	80,692
June 23, '14...	68,554	17,044	85,598	5,182	40,519	90,228	53,302
June 23, '13...	55,748	15,047	70,795	2,735	53,852	87,730	33,653

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	De-posits.
Aug. 1, 1914 ...	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437
June 12, 1915 ...	26,836	209	27,045	6,015	10,599	40,152	3,853
June 19, 1915 ...	27,659	214	27,873	6,186	10,392	40,209	4,518

ITALY.	Gold.	Cash-Silver.	Total.	Dis-counts.	Loans & Advances.	Circula-tion.	Deposits.
July 31, '14 ...	—	—	£48,456	£25,017	£69,204	£8,887	
May 20, '15 ...	£45,470	£4,936	50,406	1,860	47,967	104,051	28,404
May 31, '15 ...	45,522	4,849	50,371	5,869	49,123	114,189	29,663

N. YORK BANKS & TRUSTS.	Own Vaults.	Reserve In Depositories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
Aug. 1, '14 ...	—	—	£99,888	£411,238	£387,165	£8,318	£1,720
June 19, '15 ...	£90,932	£31,806	122,538	494,716	598,738	7,588	39,300
June 26, '15 ...	91,644	31,590	123,234	493,016	514,420	7,582	39,006
June 27, '14 ...	—	—	99,372	423,652	406,678	8,220	7,158
June 28, '13 ...	—	—	88,741	380,474	353,953	9,410	8,533

\* Including foreign gold bills, State notes, and small change.

NORWAY.	Gold.	Balance Abroad.	For-ign Gov. Securities.	Dis-counts.	Loans.	Circula-tion.	Deposits.
July 31, 1914...	£2,960	£1,678	£493	£4,868	£6,752	£793	
June 16, 1915...	3,410	3,190	637	4,279	7,545	1,464	
June 22, 1915...	3,411	3,183	638	4,217	7,614	1,347	
June 22, 1914...	2,707	1,503	486	4,543	6,433	459	
June 23, 1913...	2,319	1,533	503	4,117	5,823	349	

RUSSIA.	Gold.	Cash-Silver.	Total.	Dis-counts.	Loans.	Circula-tion.	Total Deposits.
July 21, '14...	£174,509	£7,393	£181,892	£6,589	£76,081	£183,411	£109,911
June 14, '15...	189,782	5,601	175,383	9,286	280,954	347,734	183,867
June 21, '15...	168,203	5,612	173,815	7,222	279,385	351,778	152,359
June 21, '14...	177,582	7,327	184,849	6,704	76,361	183,298	104,538
June 21, '13...	160,105	7,757	167,862	5,304	91,656	147,195	108,343

SPAIN.	Gold.	Cash-Silver.	Total.	Dis-counts.	Loans.	Circula-tion.	Deposits.
Aug. 1, '14...	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,855
June 19, '15...	27,294	29,753	57,047	42,332	13,777	79,330	27,742
June 26, '15...	27,682	29,884	57,466	42,320	13,777	78,880	26,912
June 27, '14...	21,284	29,240	50,504	40,424	13,777	75,688	19,067
June 28, '13...	18,281	30,182	48,463	38,992	13,777	73,532	17,396

SWEDEN.	Gold.	Balance Abroad.	For-ign Gov. Securities.	Dis-counts.	Loans.	Circula-tion.	Deposits.
Aug. 1, '14 ...	£5,717	£6,150	£1,555	£7,495	£13,432	£3,903	
June 12, '15 ...	6,303	3,875	2,787	6,784	15,178	3,353	
June 19, '15 ...	6,302	4,009	2,803	7,134	15,017	4,175	
June 20, '14 ...	5,823	6,107	1,803	5,910	12,217	3,703	
June 21, '13 ...	5,703	3,778	870	7,903	11,687	2,787	

SWITZER- LAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Loans.	Circula-tion.	De-posits.
July 31, 1914...	£7,675	£238	£7,913	£10,391	£16,371	£3,128	
June 15, 1915...	9,611	2,111	11,722	6,298	16,035	2,992	
June 23, 1915...	9,608	2,151	11,759	6,455	15,877	3,011	
June 23, 1914...	7,059	783	7,842	4,347	10,051	1,928	
June 23, 1913...	6,803	974	7,777	4,569	10,149	1,997	

U.S. STATES FED. RES. BANKS.	Gold Coin and Certs.	Cash-Silver.	Total.	Dis-counts.	Loans and Advances.	Reserve Deposits.	Circu-lation.	Total Gold Res. against Net Liabilities.
May 28, 1915...	£48,728	£55,126	£103,854	£6,790	£58,410	£2,184	£72,049	82.4%
June 4, 1915...	48,503	55,570	104,073	6,942	57,556	2,283	71,508	82.9%
June 11, 1915...	49,246	58,173	107,419	7,201	59,931	2,420	74,256	82.9%

## II.—FOREIGN BANK RATES OF DISCOUNT.

	Current Rates	Date Fixed	A Year Ago	Date Fixed
Paris ...	5	Aug. 20, '14	3½	Jan. 29, '

## III.—PUBLIC INCOME AND EXPENDITURE.

(000's omitted.)

1915.	Revenue		Expenditure		Treasury		Treasury	
	Revenue	Loans	Supply	Debt	Amount	+ or -	Out-	stand-
Week to	£	£	£	£	£	£	£	£
June 5...	2,049	21,826	25,400	— 330	25,070	111,248	— 3,214	225,312
June 12...	2,580	15,094	19,972	201	20,173	106,169	— 5,079	237,910
June 19...	4,747	15,444	32,140	1,593	33,733	87,880	— 18,289	247,706
June 30...	3,914	27,457	26,381	21,262	47,643	67,694	— 20,186	250,584
Agg. since								
Apr. 1, '15	51,297	307,719	248,616	74,860	323,476	67,694	— 15,757	+ 173,434
Total to								
June 30, '14	40,501	46,180	40,032	12,618	52,700	3,915	— 6,519	—

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

LONDON ON—	July 1, '15	June 24, '15	June 17, '15	June 10, '15
Holland .....	12 3/4	12 3/4	12 3/4	12 3/4
— Cable .....	11 9/16	11 9/16	11 9/16	11 9/16
Italy .....	28 85	28 85	28 7 1/2	28 75
— Cable .....	28 45	28 45	28 3 1/2	28 35
Lisbon & Oporto .....	36 1/2	37 1/2	37 1/2	37 1/2
New York .....	4 7 1/4	4 7 1/4	4 7 1/4	4 7 1/4
— Cheques .....	4 7 1/4	4 7 1/4	4 7 1/4	4 7 1/4
Paris .....	27 5 1/4	26 55	26 4 1/2	26 45
— Cable .....	27 20	26 16	26 0 1/2	26 0 1/2
Petrograd .....	129	125	122	124
Scandinavia .....	18 25	18 10	18 0 1/2	18 0 1/2
Spain (Bank places) 3 mos. .....	44 1/2	45 1/2	45 1/2	46
— Cable .....	26 00	25 62 1/2	25 3 1/2	25 20
Switzerland .....	25 30	25 85	25 80	25 62 1/2
— Cable .....	25 90	25 4 1/2	25 40	25 2 1/2

## Foreign Rates of Exchange on London, &amp;c.

	July 2, '15	June 25, '15	June 18, '15	June 11, '15
Alexandria .....	Sight 97 1/2 p.	97 1/2 p.	97 1/2 p.	97 1/2 p.
Amsterdam .....	Sight 11d. 9 3/4 c.	12h. 0 1/2 c.	11d. 9 1/4 c.	11d. 9 5/8 c.
Bombay .....	Transfers 1s. 3 3/4 d.	1s. 3 3/4 d.	1s. 3 3/4 d.	1s. 3 3/4 d.
Buenos Ayres .....	90 days 48 1/2 d.	48 1/2 d.	48 1/2 d.	48 1/2 d.
Calcutta .....	Transfers 1s. 3 3/4 d.	1s. 3 3/4 d.	1s. 3 3/4 d.	1s. 3 3/4 d.
Christiana .....	Sight 18kr. 17 1/2	18kr. 12 1/2	18kr. 0 1/2	18kr. 0 1/2
Copenhagen .....	Sight 18kr. 17 1/2	18kr. 12 1/2	18kr. 0 1/2	18kr. 0 1/2
Hong Kong .....	Transfers 1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.
Italy .....	Sight 29kr. 15c.	28kr. 5 1/2 c.	28kr. 45c.	28kr. 3 1/2 c.
Lisbon .....	Sight 36 1/2	36 1/2	37	37 1/2
Madrid .....	Sight 25p. 65	25p. 6 1/2	25p. 45	25p. 17 1/2
Montevideo .....	90 days 52 1/2 d.	52 1/2 d.	52 1/2 d.	52 1/2 d.
Montreal .....	Cables 84 8 1/4	84 8 1/4	84 8 1/4	84 8 1/4
New York .....	Sight 84 76 1/2	84 77 1/2	84 76 1/2	84 75 1/2
— 60 days .....	84 72 1/2	84 73 1/2	84 73 1/2	84 73 1/2
— on Paris .....	84 77 1/2	84 78 1/2	84 77 1/2	84 78 1/2
— on Berlin .....	81 1/2 c.	81 1/2 c.	82 1/2 c.	82 1/2 c.
— on Vienna .....	15 12 1/2 c.	15 30 c.	15 30 c.	15 30 c.
— on Amsterdam .....	39 3/4 c.	39 1/2 c.	39 1/2 c.	39 1/2 c.
— on Mexico .....	37 1/2 c. U.S.	37 1/2 c. U.S.	38 c. U.S.	38 1/2 c. U.S.
Paris .....	Cheques 26f. 82 1/2 c.	26f. 23 1/2 c.	26f. 0 1/2 c.	26f. 0 1/2 c.
Petrograd .....	Sight 12 1/2	12 1/2	12 1/2	12 1/2
Rio de Janeiro .....	90 days 12 1/2 d.	12 1/2 d.	12 1/2 d.	12 1/2 d.
Shanghai .....	Transfers 2s. 3 3/4 d.	2s. 3 3/4 d.	2s. 3 3/4 d.	2s. 3 3/4 d.
Stockholm .....	Sight 18kr. 17 1/2	18kr. 12 1/2	18kr. 0 1/2	18kr. 0 1/2
Switzerland .....	Sight 25f. 75c.	25f. 60c.	25f. 4 1/2 c.	25f. 2 1/2 c.
Valparaiso .....	90 days 7 1/2 d.	7 1/2 d.	7 1/2 d.	7 1/2 d.
Bar Gold, standard, per oz. .....	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Silver (.925) per oz. .....	22s. 8 1/2 d.	23s. 8 1/2 d.	23s. 8 1/2 d.	23s. 8 1/2 d.

\* Previous day's rates. † Foreign exchanges current in New York, according to cable advices from Irving National Bank of that city.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*
	1915	£	£	£	£
BIRMINGHAM.....	June 26	1,386,098	— 139,068	39,747,134	— 533,871
BRISTOL.....	" 28	899,000	+ 61,000	19,475,000	+ 264,000
DUBLIN.....	" 26	3,083,000	+ 26,000	92,438,800	+ 6,890,800
LIVERPOOL.....	" 26	625,985	+ 131,835	15,659,767	+ 2,314,450
MANCHESTER.....	" 28	3,833,880	+ 87,130	9,998,428	+ 2,102,526
LIVERPOOL.....	" 26	5,369,577	+ 1,152,923	130,965,512	+ 6,478,770
MANCHESTER.....	" 26	6,378,438	+ 387,612	165,160,490	+ 19,051,749
NEWCASTLE.....	" 26	1,595,000	+ 671,000	34,849,300	+ 3,790,200
NOTTINGHAM.....	" 26	287,649	+ 17,058	8,808,622	+ 1,029,009
SHEFFIELD.....	" 26	407,799	— 33,829	14,533,454	+ 1,034,626
LONDON.....	1915.	[000's omitted from the London clearings.]			
TOWN.....	June 30	220,198	— 180,416	5,040,009	— 2,589,835
METROPOLITAN.....	" 30	18,650	— 544	460,890	+ 12,206
COUNTRY.....	" 30	27,941	+ 2,330	750,990	+ 46,693
TOTAL.....	" 30	266,789	— 178,630	6,251,889	— 2,540,946

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1916	1915	1915
May 28	42,510	37,523
June 11	38,303	34,710
June 25	45,083	39,054
1915	478,555	464,196
1914	267,954	150,244
1913	270,485	81,351

\* Compared with a year ago.

## VI.—FREIGHTS.

According to Messrs. Farrar, Groves and Company, the following are the quotations for representative steam freights:—

HOMEWARDS.	1915.	1914.	Homewards—continued.	1915.	1914.
Alexandria to London/Hull	24/0	6/0	U.S. Atl. Ports to U.K.	—	—
Australia to U.K. or Cont.	—	—	Cont. (grain) .....	—	—
Azoff to L.H.A.R.	—	7/0	N.O. to L.H. (cotton) .....	125/0	2/0
Bombay to p.p. d.w.	52 1/2	15/0	N.O. to U.K. (cotton) .....	9/0	2 1/4
Burmah o.c.	—	—			
Calcutta to p.p. d.w.	70/0	—			
Danube to A.R.	—	7/0			
Odessa to L.H.A.R.	—	8/0			
River Plate to U.K. Cont.	54/0	11/0	1915 .....	25/0	24/0
U.S. Atl. Ports to L.H. (cot.)	120/0	—	1914 .....	11/8	12/0
				8/0	14/0
				7/8	7/8

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

JULY 3.	1915.	1914.	1913.
METALS, MINERALS, &c.			
Iron—scotch pig warrants .....	72/9	57 1/2	85/0
— Mildsteel warrants .....	66 1/8	51 0	55 1/4
— Hematite warrants .....	95 0	81 0	73 0
— Staffordshire bars, London .....	£12	£8 10	£10
— Common bars .....	£11 5	£6 10	£8
— Stock, Middlesbrough .....	150.185	80.218	208.787
Steel Rails .....	£28 2/6	£28 2/6	£28 12/6
Copper—Standard .....	£79 5	£81	£83 7 6
— Stock, Europe & Africa, June 30 .....	38.041	33.271	38.196
Tin—English ingots .....	£172	£142	£190
— Straits .....	£174	£139 15	£185 10
— Tinplates—Coke I.O. .....	19/0—19/4	13 0—17 6	14 6—18/8
Lead—Soft Foreign .....	£24 17 6	£19	£20
Spelter—Ord. Foreign .....	£105	£21 7 6	£21
Quicksilver—(75lb.) .....	£16 10	£7	£7 10
Aluminium .....	£140—£150	£81—£83	£88—£90
Antimony—Regulus .....	£110—£125	£28 15—£28 5	£31 10—£32
Coal—Steam (best) Cardiff .....	nom.	21/6	21/9
— (best) Newcastle .....	21/6	14/6	15/6

CHEMICALS, OILS, &c.			
Nitrate of Soda—Chemical wt. .....	13/9	10/8	11 1/4
Soda—Crystals ex ship .....	£2 2/6—£2 8	£2 2/8—£2 8	£2 2/8—£2 5
Cochineal—Teneriffe Silver .....	2/1	1/10—2/0	1/8—2/0
Copra—Malay & Straits .....	£21 15	£23 17 6	£24 7 6
Gambler—Good marks .....	31/3	18 10 1/2	17/3 1/4
Indigo—Bengal good to fine .....	13/6—15/0	3/2—3/8	3/0—3/8
Linseed Oil—Spot, barrels .....	£27 10	£25 5	£25 5
— Linseed—Calcutta, spot .....	54/9	51/6	45/6
— Olive Oil—Spanish .....	£53—£54	£49—£50	£47—£48
— Palm Oil—Lagos .....	£31 10	£31 10	£34
Petroleum—American .....	—/81	—/74	—/81
Rape Oil—Refined English .....	£38—£40	£32	£31 5
Soya Oil .....	£24	£24 12 6	nom.
Tallow—Aust. mixed .....	35/0	29/9—33/3	34/4 1/2
Turpentine—Amer. Spirit .....	38 6	33 7 1/2	28/0
Rape Seed—Toria .....	51 0	50/9	47/3
Rubber—Para, spot .....	2/6	2/9 1/2	3/9 1/2
— Fine plantation .....	2/5 1/2	2/2	2/10
— World's V.S. sup. (all kinds) Feb. .....	25.005	22.202	17.583
Shellac—T. N. Orange, fair .....	55/0	63/0—64/0	99/0—90/0

TEXTILES.			
Cotton—Middling Upland .....	5/14	7/53	8/74
— Egyptian good fair .....	7/20	7/75	8/920
— Pernambuco, fair .....	5/70a	7/73	8/685
— Mid. Upl. New York .....	9/60c	13/25c	12/35c
— Stock, Liverpool, June 25 bales .....	1,761,440	984,350	981,600
Flax—Petrograd, Yarnopol .....	£56	£58 10	£32 10
Hemp—New Zealand .....	£39 10	£25 10	£30
— Manila, fair .....	£31 10	£24 10	£29 10
Jute—First Marks, spot .....	£23 10	£26 15	£27
— Red SOC .....	£21	£24 15	£23
Silk—Blue Elephant .....	8/10 1/2	11/3—11/6	10/9—11/0
Wool—Pt. Philip unwashed av. lb. .....	1/0—1/1	1/11—1/10	1/0—1/1
— Lincoln Half Hogs .....	1/6 1/2	1/0	1/0 1/2
Hides—English Ox, 90lb. cover lb. .....	1/0—1/1 1/2	8/1—7/1	8/1—8/1
Leather—Dressing Hides .....	2/1—2/7	1/4—1/8	1/4—1/8

VEG. FOOD, CORN, &c.			
Wheat—Via sup. U.S. June 28 bus. .....	10,805,000	15,404,000	33,359,000
— Red, price, N.Y. 60lb. bushel .....	135 1/2	88c.	97c.
— English, Galt, aver. 480lb. qr. .....	52/0	34/3	32/8
Flour—London, Whites ex Mill 250lb. .....	44/0	30/0	31/8
Barley—Eng. Gaz, aver. 400 lb. qr. .....	34/4	25/4	24/3
Oats—Eng. Gaz, aver. 312lb. qr. .....	31/9	20/0	19/1
Malze—N.Y. (new bushel) 56lb .....	83 1/2 c.	77 1/2 c.	70c.
— Amer. mixed, Liverpool 100lb. .....	7/11 1/2—8/0	4/9	4/9 1/2
— La Plata .....	29/9—30/3	26/0	23/6
Potatoes—Kents .....	75/0—80/0	70/0—75/0	92/6
Rice—Imports since Jan. 1 .....	21.621	10.432	6.948
— Deliveries do. .....	15.680	6.445	9.448
— Stock .....	12.979	8.882	4.885
— Price, Basen .....	18/0	7/0—7/3	7/10—8/1 1/2
Taploca—Pearl, medium .....	21/6—25/0	14/0—17/6	17/0—24/0
Hay—Best .....	2,016lb. load	82/6	95/0—108/0
Hops—English .....	£4 15—£5 5	£6 5—£7	£5—£8

ANIMAL FOOD.			
Beef—Argen. chilled hndqrs. 8lb .....	6/2—6/5	3/3—3/10	3/4—3/8
— Scotch sides .....	6 8	4/6—5/0	4/10—5/2
— English .....	5/10—8/4	4/2—4/5	4/3—4/6
Mutton—Scotch .....	6/8—7/0	5/8—8/0	5/8—8/0
— English wethers .....	5/4—5/10	4/8—5/4	4/8—5/4
— New Zealand frozen .....	4/7—5/0	2/4—3/2	2/9—3/3
Pork—English .....	5/8—6/2	3/6—4/0	4/6—5/0
Bacon—Irish .....	88/0—95/0	80/0—74/0	78/0—88/0
— Danish .....	88/0—95/0	58/0—88/0	70/0—83/0
Hams—Amer. long cut .....	76/0—84/0	75/0—79/0	83/0—86/0
— short cut .....	70/0—78/0	71/0—74/0	80/0—84/0
Lard—Amer. pails .....	50/3—51/3	51/9—52/9	58/0—59/8
Butter—Danish .....	150/0—154/0	117/0—120/0	119/0—121/0
— Siberian .....	126/0—132/0	98/0—102/0	94/0—100/0
— French .....	120/0—142/0	98/0—108/0	88/0—106/0
— New Zealand .....	144/0—148/0	108/0—114/0	114/0—116/0
— Australian .....	132/0—142/0	98/0—110/0	92/0—110/0
Cheese—Canadian .....	88/0—90/0	86/0—88/0	82/0—84/0
— New Zealand .....	93/0—95/0	82/0—84/0	84/0—

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Bat. & O'Donnell	June 25	80	—	£5,107 +	516	25	86,107 +	9,501
Cork, Bandon & Co.	June 25	103	—	2,018 +	166	25	50,599 +	2,814
Dublin & B.E.	June 25	180	—	6,071 +	9	25	129,009 +	2,811
Gt. Northern	June 25	561	—	24,135 +	235	25	650,090 +	19,320
Gt. S. & Western	June 25	1,130	—	32,932 +	111	25	783,001 +	89,150
Mid. Gt. West.	June 25	638	—	14,964 +	1,100	25	315,776 +	13,376

\* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Assam Bengal	May 29	862	+50	1,24,000	+ 3,009	9	11,25,000 +	38,839
Barel Light	June 5	118	—	18,100	—	600	10,25,000 +	76,900
Bengal & N.W.	May 29	2,041	+13	4,34,060	+ 40,821	9	34,14,770 +	6,74,440
Bengal Doonars	June 5	163	—	27,232	—	1,223	2,20,178 +	28,945
Beng. Nagpur	June 5	2,685	+ 7	7,12,000	+ 94,000	10	77,47,000 +	2,64,000
Bomb. Baroda	June 26	2,859	+32	11,78,000	+ 18,000	13	1,62,49,000 +	8,44,000
Burma	May 29	1,342	—	4,47,738	—	43,812	36,02,280 +	6,94,765
East Indian	June 26	2,718	— 1	20,17,000	— 66,000	13	2,76,81,000 +	6,07,000
Gt. Indian Pen.	June 26	2,981	+15	13,38,000	+ 1,13,000	13	1,27,55,869 +	12,11,545
Madra. & S.M.	June 5	3,132	— 1	9,70,000	— 35,103	10	90,85,000 +	72,791
Nizam's Guar.	May 29	797	—	1,96,253	— 49,311	9	17,89,499 +	4,44,519
Robt. & Kumeon	May 29	671	+ 2	87,171	+ 1,765	9	6,79,975 +	27,151
South Indian	June 5	1,763	+10	5,86,682	+ 22,717	10	53,83,680 +	3,79,749
South Punjab	M.of Feb.	923	—	5,88,334	— 1,35,255	51	30,57,567 +	5,07,641

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Dan. Northern	June 21	4,965	+295	£278,900	+ 127,200	50	16,846,300 +	5,342,000
Can. Pacific	June 21	12,748	+828	1,619,000	+ 568,000	50	96,180,000 +	30,094,000
Gt. Trk. Pacific	June 21	1,104	—	£11,546	— 9,794	50	333,501 +	149,852
Grand Trunk	June 21	4,008	—	162,035	— 12,299	24	3,545,800 +	374,452
Grd. Trunk W.	June 21	338	—	29,630 +	452	24	674,280 +	2,820
Det. Grd. Ha.	June 21	189	—	11,569 +	894	24	232,348 +	3,634
Macdonald	M.of Apr.	751	—	41,170	— 19,350	71	268,310 +	176,850
Mid. W. Aust.	M.of Apr.	277	—	7,147	— 6,077	101	87,968 +	39,031
NawCapeCent.	June 5	205	—	1,613 +	167	23	42,949 +	335
Rhodesia Rlys.	M.of Apr.	1,397	—	59,464	— 32,732	71	421,631 +	174,309

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Alcoy & Gandia	June 26	33	—	£13,000	— 7,000	26	340,900 +	6,950
Antofagasta	June 27	81	—	21,270	— 10,810	26	541,575 +	380,229
Arancó	M.of Mar.	841	—	6,975	— 2,875	31	19,125 +	5,550
Arg. N. East.	June 26	752	+ 85	5,931	+ 894	52	246,087 +	87,017
Arg. Transand.	June 26	111	—	150	— 170	52	47,130 +	46,780
Bolivar	M.of May	110	—	8,750	— 1,109	111	77,948 +	24,021
Brasil	M.of Feb.	3,362	+ 28	3,018,000	+ 37,976	21	6,116,000 +	625,275
Paulista	M.of Feb.	721	—	1,800,000	— 88,851	21	4,200,000 +	416,893
Mogiana	M.of Feb.	1,131	+ 57	1,768,000	+ 366,755	21	3,870,000 +	534,444
B.A. & Pacific	June 26	3,535	+ 29	72,000	+ 8,000	52	4,522,000 +	321,000
B.A. Gt. So.	June 27	3,792	+ 75	88,000	+ 6,000	52	4,915,941 +	525,964
B.A. Western	June 27	1,887	+ 75	40,000	+ 7,000	52	2,491,000 +	20,000
Gen. Argentine	June 27	3,307	+104	128,000	+ 4,000	52	6,737,600 +	274,300
Cent. Uruguay	June 26	271	—	11,401	— 1,526	52	566,758 +	78,911
" (E. Ext.)	June 26	811	—	4,278 +	943	52	38,399 +	38,399
" (N. Ext.)	June 26	185	—	1,694	— 127	52	90,287 +	30,630
" (W. Ext.)	June 26	211	—	1,869 +	618	52	84,571 +	14,367
Colomb. Nat.	M.of Apr.	86	—	9,700	— 500	41	37,900 +	1,773
Col. Ry. & Nav.	M.of May	851	—	19,809	— 6,677	111	224,066 +	52,213
Ord. Central	June 26	1,186	—	35,900	— 4,655	52	1,676,670 +	278,775
Orban Central	June 26	354	+ 9	8,124	+ 427	52	640,995 +	64,249
Dorsada Ext.	M.of May	71	—	8,400	— 2,000	51	36,800 +	2,000
Egyptian Delta	June 10	619	— 3	3,584	— 2,147	10	26,884 +	14,892
Entre Rios	June 26	730	—	9,500	— 500	52	448,800 +	172,600
Gt. S. of Spain	June 19	104	—	66,168	— 1,776	25	1,388,168 +	335,257
Gt. W. Brazil	June 26	1,010	—	5,400	— 3,700	26	276,200 +	89,000
La Guaira & Ca.	M.of June	23	—	6,250	— 1,750	61	42,250 +	17,250
Leopoldina	June 26	1,806	+ 54	21,669	+ 15,998	26	277,364 +	72,045
Manila North	June 26	315	+ 10	4,727	+ 1,164	26	156,000 +	28,296
" South	June 26	266	+ 91	3,428	+ 151	26	101,517 +	9,884
Mid. Uruguay	M.of May	319	—	8,894	— 893	111	102,219 +	16,216
Nitrato (Gwa.)	June 30	366	—	13,700	— 13,397	26	130,014 +	226,342
N.W. Uruguay	M.of May	113	—	18,400	— 4,741	101	209,928 +	65,991
Paraguay Cent.	June 26	255	—	340,000	— 93,000	52	14,116,000 +	1,437,000
Paruvian Corp.	M.of May	1,059	—	737,166	— 282,017	111	7,600,331 +	3,927,205
Puerto Cabello	M.of Apr.	24	—	3,415	— 585	41	16,121 +	879
Salvador	June 26	100	—	19,500	— 3,750	52	1,293,056 +	135,430
San Paulo	June 20	153	—	20,726	— 10,240	25	675,481 +	159,242
Talca	M.of May	184	—	8,243	— 17,850	111	122,386 +	162,467
U. of Havana	June 26	681	—	23,919 +	3,812	52	1,674,225 +	106,729
Urug. Northern	M.of May	73	—	1,749	— 132	111	16,330 +	7,994
W. of Havana	June 26	147	—	5,256 +	321	52	280,844 +	1,461
Zaira & Hiva	M.of May	112	—	7,553	— 6,981	51	36,187 +	35,520

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine	June 24	369	+21	£49,296	+ 5,091	25	1,284,533 +	121,447
Auckland (Gwa.)	June 4	251	—	£20,511	— 408	48	248,109 +	798
Brazilian Traction	M.of May	30	—	£6,710 +	489,280	51	31,092,170 +	836,882
Brisbane Electric	M.of May	30	—	£31,780 +	1,920	51	148,620 +	8,235
Bristol	June 23	31	—	£9,802 +	255	25	230,031 +	20,601
British Columbia	M.of May	242	+ 51	£512,568	+ 165,746	111	8,808,470 +	1,320,434
Calcutta	June 26	351	—	£67,277	— 2,833	26	16,50,367 +	85,003
Cape Electric	M.of May	42	—	£18,016 +	1,134	111	186,210 +	1,773
Carth. & Hart.	M.of June	9	—	£2,059	— 654	61	10,648 +	3,148
Cork Electric	June 24	91	—	£1,035 +	38	25	27,985 +	334
Dublin United	June 25	54	—	£6,765 +	106	25	149,892 +	6,988
Havana Electric	May 23	—	—	£53,674 +	1,642	21	1,053,297 +	68,198
Isle of Thanet	June 26	19	—12	£433	— 581	39	12,426 +	4,628
Kalgoolie	M.of Apr.	204	—	£2,841 +	21	41	10,203 +	398
Lanarkshire	June 24	281	—	£2,109 +	134	25	46,162 +	1,674
London O. C.	June 23	141	— 3	£44,897 +	171	12	488,863 +	46,641
Madras Electric	June 30	—	—	£29,180 +	1,495	23	342,835 +	2,834
Manila Electric	M.of May	—	—	£120,475 +	18,125	51	609,196 +	91,873
Provincial	June 26	21	—	£2,461 +	81	38	78,186 +	8,145
Rangoon Electric	M.of Apr.	25	—	£4,964 +	403	41	19,681 +	2,153
U. of Montevideo	M.of May	80	—	£27,771 +	1,245	71	202,426 +	26,771
Yorks. W. Bldg.	June 27	24	—	£1,567 +	123	26	40,001 +	2,203

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian sales. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,701 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (M) Miles. (\*) Compared with previous year. (†) Months. (‡) Truck miles. (¶) Includes Detroit, Grand Haven and Milwaukee Railway. (‡‡) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
481 Cos. (000's omitted)	Apr. (e)	\$237,696	-	\$83,394	-
	to Apr. (f)	2,443,975	-	167,320	-
Alabama Gt. Southern	Apr. 10 mos.	414,000	-	13,000	-
	to Apr. 10 mos.	3,972,000	-	609,000	-
Ala. New Or. Tex. & Pac. :					
Ala. & Vicksburg	a May	128,000	-	12,000	-
	11 mos. to May	1,398,000	-	353,000	-
New Orleans & N.E. a	May	285,000	-	43,000	-
	11 mos. to May	3,267,000	-	533,000	-
Viola, Shreve, & Pac. a	May	123,000	-	10,000	-
	11 mos. to May	1,298,000	-	428,000	-
Atchison, Top. & S.F. a	May	9,602,000	+	722,000	+
	11 mos. to May	107,133,000	+	6,875,000	+
Atlantic Coast Line a	May	2,597,000	-	458,000	-
	11 mos. to May	29,200,000	-	4,711,000	-
Baltimore & Ohio	b May	8,276,000	+	544,000	+
	11 mos. to May	83,152,000	+	8,031,000	+
Canadian Northern	b May	1,193,900	-	447,700	-
	11 mos. to May	16,024,300	-	2,635,000	-
Canadian Pacific	b May	7,261,000	-	2,535,000	-
	11 mos. to May	51,298,000	-	28,407,000	-
Chesapeake & Ohio	b May	3,523,000	+	459,000	+
	11 mos. to May	34,885,000	+	1,585,000	+
Chicago & N. Western	a May	6,396,000	-	290,000	-
	11 mos. to May	76,332,000	-	3,605,000	-
Chic. Burl. & Quincy	b Mar. 9 mos.	6,856,000	-	848,000	-
	to Mar. 9 mos.	70,218,000	-	2,539,000	-
Chicago Great Western	b May	1,088,000	-	10,000	-
	11 mos. to May	12,739,000	-	416,000	-
Chic. Mil. & St. Paul	a Apr. 10 mos.	6,877,000	-	380,000	-
	to Apr. 10 mos.	76,380,000	-	2,267,000	-
Chic. Rock I. & Pacific	a Apr. 10 mos.	5,121,000	+	149,000	+
	to Apr. 10 mos.	69,951,000	+	2,454,000	+
Ch. St. P. Min. & Omaha	b Apr. 10 mos.	1,323,000	-	67,000	-
	to Apr. 10 mos.	15,420,000	-	283,000	-
Clev. Cin. Chic. & St. L.	a May 5 mos.	2,954,000	+	203,000	+
	to May 5 mos.	14,078,000	+	439,000	+
Colorado & Southern	a Apr. 10 mos.	1,017,000	+	91,000	+
	to Apr. 10 mos.	12,082,000	+	771,000	+
Cuba Railroad	b Apr. 10 mos.	548,000	+	1,000	+
	to Apr. 10 mos.	4,208,000	+	62,000	+
Delaware & Hudson	b Apr. 4 mos.	2,057,000	+	13,000	+
	to Apr. 4 mos.	6,989,000	+	113,000	+
Denver & Rio Grande	a Apr. 10 mos.	1,824,000	-	55,000	-
	to Apr. 10 mos.	18,223,000	-	1,766,000	-
Erie Railroad	a May 5 mos.	5,182,000	+	318,000	+
	to May 5 mos.	24,177,000	+	1,046,000	+
Grand Trunk Railway	a May 5 mos.	\$706,600	-	\$60,800	-
	to May 5 mos.	3,271,450	-	339,800	-
Grand Trunk Western	a May 5 mos.	118,400	+	300	+
	to May 5 mos.	585,300	+	650	+
Great Northern	b Apr. 10 mos.	\$449,400	+	\$830,000	+
	to Apr. 10 mos.	57,138,000	+	7,626,000	+
Hooking Valley	b Apr. 10 mos.	442,000	+	47,000	+
	to Apr. 10 mos.	5,149,000	+	953,000	+
Illinois Central	a May 11 mos.	4,839,000	-	383,000	-
	to May 11 mos.	57,330,000	-	3,861,000	-
Kansas City Southern	a May 11 mos.	832,000	-	56,000	-
	to May 11 mos.	9,243,000	-	747,000	-
Lehigh Valley	a May 11 mos.	3,845,000	+	99,000	+
	to May 11 mos.	38,891,000	+	545,000	+
Louisville & Nashville	a Apr. 10 mos.	4,137,000	-	634,000	-
	to Apr. 10 mos.	43,268,000	-	7,643,000	-
Michigan Central	a Apr. 4 mos.	2,863,000	-	26,000	-
	to Apr. 4 mos.	10,625,000	-	83,000	-
Min. St. P. (Soc.) System	a Apr. 10 mos.	2,013,000	-	173,000	-
	to Apr. 10 mos.	23,656,000	-	1,330,000	-
Miss. Kansas & Texas	b May 11 mos.	2,288,000	+	67,000	+
	to May 11 mos.	30,520,000	+	935,000	+
Missouri Pacific	a Apr. 10 mos.	4,467,000	-	1,000	-
	to Apr. 10 mos.	49,120,000	-	1,521,000	-
New York Central	a May 5 mos.	13,334,000	+	949,000	+
	to May 5 mos.	61,610,000	+	1,725,000	+
N. Y. N. Haven & Hart	a Apr. 10 mos.	5,537,000	-	39,000	-
	to Apr. 10 mos.	53,296,000	-	2,673,000	-
N. Y. Ontario & Western	a May 11 mos.	713,000	-	68,000	-
	to May 11 mos.	8,120,000	-	212,000	-
Norfolk & Western	a Apr. 10 mos.	3,769,000	+	188,000	+
	to Apr. 10 mos.	34,598,000	+	2,535,000	+
Northern Pacific	a May 11 mos.	4,850,000	-	557,000	-
	to May 11 mos.	57,836,000	-	6,803,000	-
Pennsylvania System :					
E. of Pittsburgh	a May 5 mos.	20,267,000	-	12,000	-
	to May 5 mos.	91,261,000	-	4,342,000	-
W. of Pittsburgh	a May 5 mos.	9,254,000	+	64,000	+
	to May 5 mos.	41,900,000	+	2,142,000	+
Pitts. O.C. & St. Louis	a Apr. 4 mos.	3,162,000	+	87,000	+
	to Apr. 4 mos.	11,929,000	+	734,000	+
Phila. & Reading Ry.	b May 11 mos.	4,082,000	-	141,000	-
	to May 11 mos.	43,400,000	-	3,178,000	-
Phila. & R. Coal & Iron	b Apr. 10 mos.	3,607,000	-	705,000	-
	to Apr. 10 mos.	26,827,000	-	1,960,000	-
St. L. & San Francisco	a Apr. 10 mos.	3,397,000	+	79,000	+
	to Apr. 10 mos.	37,145,000	+	2,091,000	+
Seaboard Air Line	a Apr. 10 mos.	1,971,000	-	273,000	-
	to Apr. 10 mos.	17,889,000	-	528,000	-
Southern Pacific	a May 11 mos.	10,592,000	-	391,000	-
	to May 11 mos.	117,902,000	-	9,074,000	-
Southern	a May 11 mos.	4,917,000	-	704,000	-
	to May 11 mos.	57,156,000	-	8,063,000	-
Union Pacific	a May 11 mos.	6,584,000	-	254,000	-
	to May 11 mos.	79,630,000	-	5,194,000	-
Wabash	b Apr. 10 mos.	2,343,000	+	60,000	+
	to Apr. 10 mos.	24,399,000	+	1,142,000	+
Western Pacific	b Apr. 10 mos.	440,000	-	9,000	-
	to Apr. 10 mos.	4,589,000	-	679,000	-



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# The Statist.

LONDON, SATURDAY, JULY 3, 1915.

## FINANCING THE WAR.

EVERYTHING that can be thought of has been, and is being, done to make the new War Loan a very great success, and from day to day the total sum expected to be raised is placed at higher figures. Of course, no one is optimistic enough to expect that the whole sum needed will be raised, and no one will be able to determine exactly how much new cash will be received until nearly the end of September, as some persons may meet their calls on the new loan by not renewing the Treasury bills they have purchased during the past quarter. For enough money to be raised to pay off the outstanding Treasury bills, to refund to the Bank of England money advanced to take up unpaid bills of exchange and to provide the balance of the Budget deficiency, nearly £1,000,000,000 is needed. If, however, the Treasury bills outstanding at present are renewed from quarter to quarter the cash, over and above the revenue needed to meet the estimated expenditure of the next nine months, is about £750,000,000. This is exclusive of any amounts drawn out of the existing deposits of the Post Office and Trustee savings banks to pay for the new Loan, which withdrawals merely place permanent money at the service of the Government instead of call money. The applications so far received, and the calculations of the total of others to be made next week, encourage us to hope that the sum realised will be sufficiently near to the great sum needed that the remainder can be provided out of the cash balance or by the imposition of a moderate amount of new taxation. Of course, it is desirable that the subscriptions should be so large that no additional taxation will become necessary; but not even the most optimistic expects such a result.

## WAR LOAN (TRUSTEES) BILL.

It is evident that trustees who hold Government Debt and possess no cash resources have no power to participate in the new Loan, either by direct subscription or by means of conversion. To enable this difficulty to be overcome, a Bill has been introduced

for the purpose of exercising any option to convert securities given under the War Loan Act, 1915, to holders of the Loan, and to indemnify trustees for any loss in respect of any such borrowing, or any transaction in relation to the Loan, and to authorise the investment of moneys subject to any trust in any securities created under that Act." As the measure is one of very great importance to trustees, and should materially assist in making the Loan a great success, we give the full text of the Bill below:—

"Be it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

"1. Any trustees who are holders of consolidated two-and-a-half per cent. annuities, two-and-three-quarters per cent. annuities, or two-and-a-half per cent. annuities, or three-and-a-half per cent. war stock or war bonds issued under the War Loan Act, 1914 (in this Act referred to as convertible securities), may borrow as provided by this Act such sums as may be requisite for the purpose of subscribing for such an amount of the Loan issued under the War Loan Act, 1915, as will enable them to obtain securities issued under that Act in exchange for the convertible securities held by them; and any money so borrowed shall be applied in subscriptions to the Loan under the War Loan Act, 1915.

"Any such sums may be borrowed on the security of the convertible securities held by the trustees and the securities obtained by them by means of subscription to the Loan under the War Loan Act, 1915.

"2. A trustee shall not be liable for any loss resulting from any borrowing under this Act or from any subscription to or investment in the Loan under the War Loan Act, 1915, or the sale of any securities for the purpose of any such subscription or investment or from the exercising of any option to convert securities under that Act; and trustees and other persons acting in a fiduciary character are hereby expressly authorised to exercise such powers of borrowing, subscription, investment, or conversion.

"3.—(1) This Act shall not apply to any trustee under an implied or constructive trust.

"(2) This Act may be cited as the War Loan (Trustees) Act 1915."

Doubtless many trustees who borrow from their bankers the money needed to make conversion of their existing holdings will desire to sell a portion of their increased holding without undue delay. Opportunity of resale will occur from day to day, but it should greatly increase after the Loan is fully paid up at the end of October. Until November nearly every one will be busily engaged in applying his savings to the payment of instalments, but after the Loan is paid up a great deal of new money should become available from week to week and from month to month for the purchase of bonds from persons who have borrowed money from their bankers to meet instalments. Whether or not the savings from November onwards will be large enough to take care of all the bonds that may be offered cannot now be determined, but there should then be a very large amount of new savings available for the purchase of bonds.

## THE JOINT-STOCK BANKS.

The joint-stock banks are powerfully contributing to the success of the new Loan by their willingness to make advances to customers on the security of the new War stock at Bank rate. Of course, bankers prefer to lend to persons who promise repayment within a reasonable time, but, practically speaking, they are willing to lend to everyone who wishes to subscribe. It will, of course, be realised that bankers run no risk whatever in making these advances, as beyond the

security of new War stock they have the general credit of the borrower and the knowledge that whatever happens they can rely upon the Bank of England to make advances to whatever extent they need money to meet demands upon them. The large applications for the Loan will not be made at the Bank of England until next week, first, because the end of the half-year is not a good time for making application, and, secondly, because interest is saved by not paying the deposit money required sooner than is essential. The joint-stock banks possess a very large amount of Consols and Annuities, and if to their holdings we add the amounts possessed by the Bank of England and by British joint-stock banks operating in India, the Colonies, and foreign countries, the total reaches a nominal sum of about £200,000,000. This is distinct from their holdings of War stock of 1914, which perhaps they may not convert. Such a sum of Consols and Annuities would alone entitle them to about £300,000,000 of the new Loan, while if they were to convert their War stock the total for which they would subscribe would be over £400,000,000.

Beyond finding this great sum of money on their own account, bankers will probably find another £300,000,000 or £400,000,000 for account of their customers, either by way of deposit withdrawals or by loans. To carry out this great operation smoothly and effectively it is, of course, essential there should be no lock-up of money in the Bank of England, but that as the instalments are paid money should be either paid out or lent to the joint-stock banks and to other bankers. This matter is receiving most careful attention, and the close co-operation of the Treasury, the Bank of England, and the joint-stock banks will smooth away all difficulties. The operation will, moreover, be assisted by the existence of £250,000,000 of Treasury bills, which can be used by bankers as floaters, in order to obtain advances from the Bank of England should they need them, or which can be presented for payment and cancelled until the money obtained by the Loan is all spent, when they can be repurchased. Moreover, bankers hold a large amount of War stock, upon which they can obtain advances from the Bank of England until the Loan money is disbursed.

Hence the greatest financial operation the world has ever seen is likely to be a complete success not only from the point of view of the amount of money subscribed, but also from the ease with which it will be carried out. However deficient were our supplies of munitions of war in consequence of the peaceful and non-aggressive policy of our statesmen, that policy has all the time strengthened our sinews of war, and the great strength they have attained is now to be revealed and tested as never before.

### THE MONEY CAMPAIGN.

Subscriptions to the new Loan have been very greatly assisted by the eloquent appeals made by the Prime Minister and by Mr. Bonar Law at the Guildhall this week and by the enthusiastic reception they received. We venture to think that no more powerful appeal for money for war has ever been made to a nation than was made by the Prime Minister in the following words: "I put before you two very simple propositions. The first is this. If you save more you can lend the State more, and the nation will be proportionately enabled to pay for the War out of its own pocket. The second proposition, equally simple and equally true, is this. If you spend less, you either reduce the cost and volume of our imports, or you leave a larger volume of commodities available for export. The state of the trade balance between ourselves and other countries at this moment affords grounds—I do not say for anxiety, but for serious thought. And I want to ask you, and those outside, how can the adverse

tendency of the trade balance be counteracted? The answer is a very simple one. By reducing all unnecessary expenditure, first, of imported goods—familiar illustrations are tea, tobacco, wine, sugar, petrol; I could easily add to the list—and that would mean that we should have to buy less from abroad; and next, as regards goods which are made at home—setting a larger quantity free for export, which means that we have more to sell abroad, and enable capital and labour here at home to be more usefully and appropriately applied.

"That may seem a rather dry and technical argument, but it goes to the root of the whole matter. And if you ask me to state the result in a sentence, it is this: All money that is spent in these days on superfluous comforts or luxuries, whether in the shape of goods or in the shape of services, means the diversion of energy which can be better employed in the national interests, either in supplying the needs of our fighting forces in the field, or in making commodities for export which will go to reduce our indebtedness abroad. And, on the other hand, every saving we make by the curtailment and limitation of our productive expenditure increases the resources which can be put by our people at the disposal of the State for the triumphant vindication of our cause.

"I said our cause. That, after all, is the summary and conclusion of the whole matter. We are making here in this United Kingdom, and throughout the Empire, a great national and Imperial effort—unique, supreme. The recruiting of soldiers and sailors, the provision of munitions, the organisation of our industries, the practice of economy, the avoidance of waste, the accumulation of adequate war funds, the mobilisation of all our forces—moral, material, personal—all these are contributory and convergent streams which are directed to and concentrated upon one unifying end, one absorbing and governing purpose. It is not merely with us a question of self-preservation, of safeguarding against hostile design and attack the fabric which has withstood so many storms of our corporate and national life. That, in itself, by itself, for itself, would suffice to justify all our diverse, yet concordant endeavours. But there is something even larger and worthier at stake in this great testing trial of our people. There is not a man or woman among us who is not touched, though even in the faintest degree, with a sense of the higher issues which now hang in the balance, who has not, during this last year, become growingly conscious that in the order of Providence, we here have been entrusted with the guardianship of interests and ideals which stretch far beyond the shores of these islands, beyond even the confines of our world-spread Empire, and which concern the whole future of humanity.

"Is right or is force to dominate mankind? Comfort, prosperity, luxury, a well-fed and securely sheltered existence, not without the embellishments and concentrations of art and literature, and perhaps some conventional type of religion—all these we can purchase at a price, but at what a price! At the sacrifice of what makes life, national or personal, alone worth living. My Lord Mayor and citizens of London, we are not going to make that sacrifice. Rather than make it, we shall fight to the end, to the last farthing of our money, to the last ounce of our strength, to the last drop of our blood."

Great meetings are to be held in various parts of the country in the coming week, and will be addressed by the Chancellor of the Exchequer and other Cabinet Ministers, while a great campaign is to be conducted during the next few weeks for the purpose of inducing everyone to become more economical, and thus to find all the money that may be needed to finish the War. The services of the Parliamentary Recruiting Committee are to be utilised to provide speakers and to arrange meetings.

## NATIONAL REGISTRATION.

The *London Standard* and *London Times* and other leading newspapers have each a paper on the subject of the Bill for National Registration. The *Standard* is the only one of the two which is not a Liberal paper. Mr. Lloyd George has said, however, that the Bill is still in the hands of the Government, and that it is not yet possible to say whether it will be passed or not. The impression, in short, has been spread abroad that the Bill is not yet passed, and that it is not yet possible to say whether it will be passed or not. This is very unfortunate, for we venture to think that not only is the measure demanded in the present great emergency, but that it ought to have been in substance the law of the land for a long time past. Nothing is more suggestive of the state of our better calculated to inspire distrust of popular government, than the ignorance that prevails respecting the condition of the country. Our rulers hitherto have apparently been afraid of asking for information. They have persuaded themselves, or acted, at all events, as if they were persuaded, that they are capable of doing everything which the welfare of the State requires without a tittle of actual practical knowledge of the subject. Even such a simple thing apparently as the Census, taken once in ten years, has been whittled down to such an extent that it gives the very minimum of the information required. Whereas if we only realised what government ought to mean, and ought to be, we should know that even a genius of the first order cannot do what is demanded from him without the most intimate acquaintance with the facts he is dealing with. There is nothing that ordinary people need object to in the questions to be answered under the Bill. We are engaged in a very great war. It is the fashion just now to talk in exaggerated language respecting it, as if nothing like it had ever been experienced by us in the past. But, putting all that extravagant language aside, there is no question that the War is a most dangerous one; that it is testing the staying power of the Allies to the utmost; and that it is costing an undreamt of amount both in life and in property. To carry on the War adequately and efficiently under those circumstances it ought to be evident, even to the mind of a child, that those who have to direct and carry it on require to be thoroughly well posted respecting the resources of our own country, as well as those of the enemy; and yet people act, or talk, at all events, as if they felt that it was something objectionable in an almost unspeakable degree for the Government to ask for the minimum of information that will enable them to carry out their own duties. It ought to be plain that the predicament in which we find ourselves now is due to sheer ignorance in the past. No sooner had Lord Kitchener accepted the office of Minister for War than he called for new armies exceeding two millions of men. The country answered with splendid patriotism, and the men came pouring in so rapidly that some of the most skilled men in all our departments of industry were taken away from the businesses in which they had been trained. After a while we found that, in consequence, the production of munitions of war was utterly unequal to the demand. Finally, the grave mistake we made was forced upon our attention by the loss of life that has been suffered. That surely ought to convince us that we had been living in a fool's paradise; that we had not the information sufficient to enable our rulers to estimate what modern warfare demands; and that now, at all events, when our eyes are opened, we ought to insist upon the very fullest information. Of course, there is no question that the Bill will pass. But there is danger that the filling up of the answers will be neither as frank nor as full as is desirable. Yet it ought to be clear that in the present emergency it is demanded by patriotism that every possible help should be given to the Government; and no greater help can be given than supplying ample information.

We might rest the case mainly upon the War and what the War implies. But we do not look upon this Bill as a mere emergency measure. On the contrary, we hope that it will continue in operation, improved and extended. For it ought to be manifest to every thinking mind that good government cannot exist without thorough acquaintance with the present condition and future requirements of the masses of the people. It turns out now, when we are engaged in a great war, that even the Government itself cannot ascertain what the resources of the country are in regard to the supplying of war munitions. That a country which is at the very head of every kind of manufacturing industry should be in such a position is an absolute scandal. We did not know what warfare under present conditions would mean. And it turns out now that even the Government itself did not know whether the country was or was not prepared to furnish the required amount and kind of ammunition. Now, when eleven months of the War have passed, we are beginning to open our eyes to the fact that we want to know what our resources are. But if we do not know our resources with regard to furnishing munitions of war, is there the least probability that anybody in the country knows our resources in regard to wise legislation? Does anybody know the real condition of the people? If they do, how is it that we are so ignorant as to our resources? A large number of the most skilled men in the engineering trade, amongst coal miners, and so on, have been withdrawn from their ordinary avocations and enlisted. Does that imply that every branch of activity in the country has been disorganised, and that there is no real ability to keep up the production of the country anywhere? Nobody can answer the question with confidence. Yet we have two Houses of Parliament meeting every year and professing to legislate for all the requirements of the country; and neither House, or, to speak even more correctly, no individual of either House, knows what the real condition of the country is; and yet we ask those men to legislate for us and to manage our affairs with other countries in our name. The whole thing is a sham and a shame. And we ought to insist upon full information being collected respecting our wants as well as our means of supplying those wants. A great deal has been done in recent years. An immense mass of information has been collected. We may refer to the Census of Production as an illustration, but not implying that that is the only thing that has been done. There is, however, still a vast amount of ignorance, and we ought not to wait until some other great emergency confronts us, and then begin to inquire what really exists and what we really have the means to do. Surely it is as necessary in economics as in war that we should make preparation. And how are we to make real preparation if we know neither our actual needs nor our existing resources? We are not giving at present a very satisfactory picture of popular government. We are, in fact, confessing to ourselves and to the world that we had been living from hand to mouth; that we had been acting upon past experience; and that we have been either too lazy or too timid to collect the information. As soon as possible all this ought to be dropped, and our legislators and our Government should recognise that their duty is to inform themselves fully; and that legislation until they have done that is a sham, almost certain to end in failure. We hope, therefore, that the present Bill will not be regarded as a mere temporary measure to tide us over a great emergency. We do not mean to imply, or, indeed, to lead anybody to suppose, that the Bill as it stands is a satisfactory measure. But it is an emergency measure in essence, drawn up to meet the emergency, and probably will meet the emergency sufficiently well to tide us over the difficulty. But the measure ought to be regarded only as temporary and as an emergency measure in the sense that it is not permanent in its existing form. It ought to be

revised by-and-by, when peace gives us leisure, and greatly improved and extended. We want thorough and full information on an immense multitude of subjects; and we want the information not for war only, or other great emergencies, but for improving and making happier the life of the great body of the people.

### MUNITIONS.

NOBODY can be surprised that a discussion has been raised in the House of Commons in regard to the Ordnance Department of the War Office and its alleged mismanagement in regard to the supply of munitions. It is quite true that a much better opportunity might have been seized than was offered by the consideration in Committee of the Munitions Bill. Apart from that, however, it was inevitable that the question should be raised. For several months now ugly rumours have been in circulation. Assertions have been made respecting the Ordnance Department alleged to be founded on statements of persons necessarily well-informed, and the wonder is that the matter has not before now been brought before Parliament. Happily it did not very long delay the Munitions Bill, which was read a third time on Thursday and sent up to the House of Lords. But no satisfactory answer was given to the inquiries made. It is inevitable, therefore, that there must be a further debate on the matter. That the Munitions Bill will be put into execution without delay we are warranted in believing by the energy and push of Mr. Lloyd George. But, valuable as are both push and energy, tact is not less desirable: for without tact the measure is likely to cause quite as much evil as good. Everybody who has had any experience in any kind of business in which more than one class is engaged must have often seen how even the best intentions are defeated by either temper or ignorance of human nature. It is essential, then, if the measure is to succeed, that it be administered with the greatest caution and the greatest judgment. Particularly it is indispensable that the Minister of Munitions should choose as his agents men not merely of experience, but of tact. It is to be recollected that the War is dragging because neither the public at large nor the Ministers themselves understood early enough what warfare under present conditions implies. Therefore, it was not foreseen that the expenditure of the War would be immensely greater than that of any preceding conflict; and that, in particular, the firing away of ammunition of all kinds would be on a scale quite unprecedented. Hence, we woefully delayed turning out munitions in the necessary quantity. We have thereby thrown away valuable lives. And it is imperative that this state of things should be put a stop to without a moment's delay, and that our gallant soldiers and sailors should be provided with everything needed by them to win completely and to win quickly. But essential as it is that the War should be brought to an end with as little loss of life on our own part as is consistent with the objects in view, as well as in the shortest possible space of time, there are other considerations which press upon us all—the urgent need there exists for the most judicious administration of the Act. For one thing, it is to be remembered that the measure suspends the greater part of the privileges won by the working classes during the past century. By their organisation and their loyalty to one another those who formed the great trade unions have been able to extort right after right from their employers, to make up for their inferiority in negotiating with employers, and to secure permanently each advantage gained. At a blow we are depriving them of all those privileges—only for the time of the War, it is true. But there is a suspicion amongst many trade unionists that it will be extremely difficult to revive suspended privileges in all their efficacy. Consequently, it is of the utmost im-

portance that the Act should be so administered that those suspicions will be allayed, and that all parties will understand that the privileges of the working classes are to be restored in all their integrity as soon as the War ends. Even this does not complete the list of reasons why the measure should be administered with the greatest possible judgment and care. Practically, we are instituting a kind of dictatorship. The Government of the day is being given a power which a few months ago we should all have declared to be absolutely impossible, and even inconceivable. We are thereby entering upon a very great experiment. We all hope that as it has been imposed by an overmastering emergency it will be carried through successfully and happily. But our hope will not be fulfilled unless the measure is administered with the greatest possible tact and judgment. The experiment is full both of promise and of danger. It is in the highest degree desirable that it should succeed, not merely in the immediate object for which it is adopted, but from all points of view. It cannot be completely successful unless its administration approves itself to all parties, including both employers and employed. Therefore, it is of the very essence of the matter that the greatest possible care and the greatest possible judgment should be exercised in the selection of those who are to carry out the Act. In urging all this we are not covertly conveying our mistrust in the Minister of Munitions. On the contrary, we know him to be a man of extraordinary energy and judgment. The very magnitude of the experiment upon which he is entering urges upon him the need for caution and care. But the wisest of men, encumbered by a vast mass of responsibility, may very easily make serious mistakes; and the greatest of all mistakes will be the selection of the wrong persons to administer so very ticklish a measure. If the right persons are chosen the Act will do all we hope from it; if the wrong, it will add to our present difficulties.

### ARGENTINA.

PUBLIC attention was attracted recently to the very large amounts of gold earmarked for Argentina. Naturally people began to fear that our debt to that country was growing so huge that earmarking was sure to continue; and, therefore, that the ebbing away of the gold reserve of the Bank of England was likely to become serious. It was left out of account, however, that the Argentine Government had changed the rate at which gold could be so deposited. Previously it could be deposited at the rate of one-half of 1 per cent. Now the rate has been changed to 2 per cent. And to escape so serious a rise in the charge those who foresaw that they would have to deposit lodged as much as possible before the day on which the rise took place. The earmarking, then, had not the significance attributed to it, and did not indicate that our financial relations with Argentina were growing seriously worse. It is curious to note that the action of the Argentine Government was not followed by the result apparently expected, for the rate of exchange actually declined instead of advancing. For some time it looked as if the measure would fail. But recently there has been a marked recovery, and no doubt if the exports from Argentina continue on as large a scale as recently the rate will go up as anticipated by the Government, and then earmarking of gold will be resumed. For the present, however, it does not pay to earmark; and, therefore, so far as our own market is concerned, as well as the reserve of the Bank of England, the apprehensions excited have been allayed. Whether the exports from Argentina will continue on a very large scale depends, of course, upon several circumstances. The wheat crop, as our readers are aware, was an exceedingly fine one. It is understood that there was a surplus available for export of about 2½ million tons; and it is estimated that of this total about two millions have actually been

shipped. In other words, the value of the surplus has already been secured for the country. How much of the remaining half-million will be exported, bearing in mind that there has been a fall in price, and that at any moment the Dardanelles may be opened and prices may drop very considerably, remains to be seen. Probably a portion, at all events, of the half-million tons will be shipped. But the wheat export is so far advanced that it cannot be relied upon materially to affect the rate of exchange.

There remain the large purchases by our Government of meat and the exports of wool. Our Government is understood to have contracted for the delivery of an immense quantity of food for our armies and those of France. It has done this primarily with a view to economy. At first it is understood the Government contracted for the price ruling on the day of delivery. Experience showed, however, that this was an expensive way of contracting. Recently it has arranged its purchases at a fixed price. It knows exactly, therefore, how much it will have to pay; and it is in a position in which it can prevent the price of meat from rising seriously, to the disadvantage of the public. The fact that the Government has bought so largely, and is receiving such immense quantities every month, is very creditable to the Government, since it works in the direction of economy. And it also works for the benefit of the poorer classes. The meat purchases will have to continue as long as the War lasts, and for some time afterwards. Therefore, there can be no reasonable hope that we shall save in respect to that. On the contrary, the probability seems to be that as the supply of ammunition increases our military activity in every field will increase, and, therefore, that the supplies of meat from Argentina will tend rather upwards than downwards. Coming next to wool, there has, of course, as every reader knows, been a very great demand for the article, and especially for wool suited to the manufacture of khaki. The great demand has slackened, and what will be the future result it is useless to attempt to forecast, firstly, because we do not really know how long the two Central European Empires will be able to continue hostilities; and, secondly, because we cannot tell how our own Army will be augmented. The reasonable view, as matters stand at present, is that the demand for wool will not fall off—will, indeed, be more likely to increase than to decrease. In the last place, the condition of the exchange will be affected by the export of maize. The crop is a very large one. It is estimated, indeed, that there will be a surplus for export of about four million tons. If, therefore, the demand proves great, our debt to Argentina will be very materially increased. At the present time, however, the demand is very slack, and the appearances are that there will be no very early increase in it. The demand in the ultimate result will depend a great deal upon freight. At present freight rates are very high—so high, indeed, that it is not profitable to ship maize in large quantities. If freights, then, continue at anything like their present level it is quite possible that the receipts of maize in this country will be affected. If, on the other hand, freights fall materially there may be a very great rush to make up for lost time. Maize is bought in large quantities when it can be bought cheaply. The future regarding maize depends largely upon the freight rates.

From what has now been said it will be apparent to the reader that Argentina has prospered exceedingly because of the War. There has been such an extraordinary export, especially to ourselves, from that country that the prices have been very profitable and the quantities immense. Of course, there are other exports; but they are comparatively small. Good judges estimate that if freights fall at all materially the value of the wheat, meat and maize alone exported from Argentina during the present year will be not much less than from 60 to 65 mil-

lions sterling. That does not take account of purchases of beasts of burden and other purchases that may have been made in consequence of the War. Probably, therefore, the exports of all kinds from Argentina will be not merely larger than in any other year in its history, but will be so very large that they will bring to an end the depression which, when the War broke out, was serious. Especially from this point of view it is well to remember that prices have been immensely raised, and, consequently, that profits must be unusually large. In any event, there can be no question at all that the War has proved in the highest degree financially beneficial to Argentina. At the same time, it must not be left out of account that the bountiful crops and flocks and herds with which the War found Argentina provided has been of great benefit to ourselves and to our Allies. We have been able to buy what we required from Argentina in the quantities we needed. If we have had to pay at a high rate, that, of course, is the fortune of war. The main thing is that what we required for our Army and our Navy we have been able to procure in all the quantities we desired, and with absolute certainty. Our Government has at the present moment contracts for very large quantities of food, which are delivered regularly at contracted rates and at stated times. That has been of immense benefit to us. If it has also been of great advantage to Argentina, the War, looked at from this point of view alone, has not been altogether an unmixed evil.

### WALTER BAGEHOT.

THE issue of the complete works of Walter Bagehot,\* after a long delay, is very welcome. In his time he exercised great influence over opinion in certain political, literary, and economic quarters. And it is matter for some surprise that his works have not been collected before. It would be exaggerating his merits to say that he was an original thinker or a great leader in any department of human thought. But he had a very keen intellect, which grasped rapidly deep subjects, and he had a very wide interest in poetry, art, politics, and, to a lesser extent, in economics, though it was as an economic writer that he gained his principal reputation. He was very fortunate, both in his family associations and in the time in which he flourished. He was contemporary with the practical supremacy of the middle classes in England. He began to write just in the very middle of last century, or less than 20 years after the passing of the first great Reform Act, which may be said to have terminated, or, at all events, to have begun the termination of the rule of the great landed families. The Crown was supreme in this country under the Tudors. The aristocracy became supreme with the deposition of the Stuarts. And the middle classes succeeded to both in 1832. Walter Bagehot was the son of the manager and vice-chairman of a very successful country bank. His mother was closely related to a man who had a very considerable reputation in his day because of his "Races of Mankind." And he married the eldest daughter of one who took an active share in the Anti-Corn Law agitation—indeed, founded the *Economist* for the express purpose of giving literary voice to that movement. He was, then, a middle-class man, and it was no small addition to the advantage which that gave him that he was exceedingly well off. We reckon also as another great advantage that he was educated not either in Oxford or in Cambridge, but in London University College. Bagehot, though he professed himself a Liberal—

\* *The Works and Life of Walter Bagehot*. Edited by Mrs. Russell Barrington. The Works in nine vols.; the Life in one volume. Ten vols. complete, 75s. net. (London: Messrs. Longmans, Green and Co., 39 Paternoster Row, E.C.)

indeed, three times stood as a Liberal for constituencies—yet had a strong vein of Conservatism in him. Perhaps this is best shown in his letters from Paris on Louis Napoleon's *coup d'état*. It comes out, however, in all his writings. He had a dread of Democracy. He was out of sympathy with the poorer classes. He looked upon the well-to-do as formed by education and by nature to be the leaders of every society, and we take it that that is the real foundation of all Conservatism. Had he gone, then, to either of the old Universities he would probably, like Mr. Gladstone, have come out a red-hot Tory. As it was, he emerged from University College with a considerable knowledge of not only mathematics, but of the natural sciences, and with an acquaintance with popular feeling that he never would have received in Oxford. There was this further advantage in his training in Gower Street that he was in residence in London during all the years when his opinions were being formed. He was keenly interested in all public movements. Therefore, he was a regular attendant at the great Anti-Corn Law meetings. And he heard nearly all the great popular leaders of the time. In itself, this was an education. Perhaps if he had been less studious and less well informed it might have led him astray in another direction. But, remembering his strong bias towards Conservatism, the living in London in a time of such keen popular agitation was of immense benefit to him. Nevertheless, he was anything but a Democrat. He called himself a Liberal. But he was much more a Liberal Conservative than a real Liberal. And to the very end he shows in every one of his writings his apprehensions regarding real popular Government. It is curious that though he edited the *Economist* from the time his father-in-law left this country as Finance Minister for India until his own death, he was not a profound economist. The very fact that he was a follower of Ricardo is itself eloquent proof that he had not given his keen mind to the earnest study of the science. He thought about it quite enough to make the *Economist* a power in the land, and to enable himself to speak with authority upon all economic subjects. But his heart was not in the study. He far preferred politics and literature to it. It is also odd to find that whereas he actually read in Chambers for the Bar, and was called, he deliberately made up his mind not to practise, but to devote himself to assisting his father, whom he succeeded as Vice-President of Stuckey's Bank. His father was an enterprising and successful business man, and no doubt needed the help of so able and intelligent an assistant. But the younger Bagehot never was really at home in business any more than in economics. His mind was ever turning to the questions that interested him—principally religious, literary, and political. He had, however, as already said, a very keen intellect, a real curiosity regarding the subjects that interested him, and an attractive style. Consequently, he made not only the *Economist* a power in the land, but his books exercised an influence that we have often heard younger men wonder how it was they gained so great a reputation. The secret is that he was a typical middle-class man at the time when middle-class opinion guided the State, and, therefore, what he wrote gave utterance to the wishes of the governing classes.

## NEW ISSUES OF CAPITAL IN 1915.

In considering the amount of capital which the country is subscribing at the present time, account has to be taken of the great War Loans placed from time to time, and when this is done it is evident that never have the British people subscribed capital as freely as they are now doing. Beyond subscribing for the War Loan of last year of £350,000,000, the greater part of which has been paid-up in the past half-year, they have provided in the first six months of 1915 a sum of nearly £92,000,000. Of this total £41,000,000 has been for the United Kingdom, and

has consisted chiefly of a new issue on balance of £31,500,000 of Exchequer bonds. In our calculations we include only the actual sums raised and exclude conversions. We have provided the Colonies and foreign countries with nearly £51,000,000 of new money, the Colonies having asked us for £23,000,000 and foreign countries for nearly £27,000,000. It should be clearly understood that these amounts are over and above the sums supplied by the Government and paid out of the proceeds of the War Loans. That is to say, if at the end of the year we provide the Colonies and foreign countries with £100,000,000 of capital by the public issue of securities, we shall, if the Government's estimate is realised, supply them with another £200,000,000 of money, the Government having agreed to make loans to the Allies and to the Colonies of £200,000,000 in the twelve months to the end of March 1916, plus the additional loan that is to be made to Italy, the amount of which has not yet been announced. Including the new Loan, for which subscriptions are now being received, and excluding the Treasury bills, which are banking securities and do not absorb permanent capital, there is the prospect that in the current year the British people will find capital for British Government loans and loans to foreign countries nearly twice as great as they did last year, when the amount reached £537,000,000. It is obvious that the whole of this money will not be provided out of current savings, but will be drawn in part from the floating capital of the country hitherto employed at home and abroad. Still, after allowing for this fact, we anticipate that in the current year the country will save and will invest in War Loans or in other securities some £600,000,000, and will also provide a considerable amount of capital privately for house construction, the extension of factories, &c. It will be realised that we use the word "save" in its ordinary sense, meaning money saved by private persons and invested in securities and in house property, &c. Inasmuch as the bulk of the money will be used for War purposes, and will not add to the accumulated wealth of the nation, the word "save" is a misnomer. Nevertheless, having regard to the large sums of money we are still providing for reproductive purposes and for loans to the Colonies and to foreign countries, we are not without hope that on balance the accumulated wealth of the country will show no decline in the current year, in spite of the sums that are now being destroyed by War expenditures. The countries to which we continued to lend money in the past half-year are set out in the following statement:—

### Countries to which *Gt. Britain* has Supplied Capital & Amount Subscribed in First 6 Months, Last 5 Years.

	1915 £	1914 £	1913 £	1912 £	1911 £
<b>COLONIAL—</b>					
Canada ...	8,403,750	39,362,619	37,367,319	21,588,294	19,427,775
Australasia ...	7,465,000	18,803,650	12,559,650	4,158,267	3,294,352
South Africa ...	3,111,996	9,838,294	5,114,075	3,434,419	5,689,886
India & Ceylon ...	3,796,830	3,456,548	3,438,067	3,302,818	5,016,842
B. W. Africa ...	Nil	1,540,975	87,000	846,762	431,369
Straits Settlements ...	121,000	515,612	713,936	1,310,635	1,231,353
Other Colonies ...	Nil	1,409,448	611,600	205,000	386,458
Total Ind. & Col.	23,198,576	74,957,146	59,891,647	34,846,195	35,478,035
<b>FOREIGN COUNTRIES:</b>					
Argentina ...	7,890,000	12,809,232	9,326,000	12,401,740	5,912,500
Austria ...	Nil	1,905,000	770,000	259,753	1,593,643
Belgium ...	Nil	9,420,000	Nil	Nil	Nil
Brazil ...	Nil	6,710,500	19,925,449	9,115,622	13,211,321
Chile ...	Nil	1,745,094	2,405,187	1,044,495	2,415,712
China ...	Nil	Nil	6,675,012	Nil	1,554,500
Cuba ...	25,000	40,000	1,007,500	Nil	6,331,632
Denmark ...	Nil	Nil	Nil	2,925,000	Nil
Dutch Indies ...	62,500	119,115	198,125	483,750	696,75
France ...	9,500,000	Nil	Nil	Nil	Nil
Greece ...	Nil	1,656,488	Nil	Nil	686,810
Hungary ...	Nil	3,612,500	Nil	Nil	Nil
Japan ...	Nil	Nil	Nil	3,230,937	5,880,000
Mexico ...	25,000	632,000	4,050,483	1,889,932	1,081,843
Russia ...	9,500,000	10,797,377	6,647,367	6,616,878	2,923,500
Spain ...	440,000	2,572,400	Nil	Nil	Nil
U.S.A. ...	Nil	6,715,607	12,544,263	16,836,295	18,527,108
Other Foreign ...	20,000	1,285,147	2,293,410	4,470,461	6,839,253
Total Foreign ...	27,462,500	60,023,420	65,842,796	59,274,763	67,054,572
Total Ind., Col. & Foreign ...	50,661,076	134,980,566	125,734,443	94,120,958	103,132,607
<b>UNITED KINGDOM ...</b>	<b>41,063,512</b>	<b>33,560,262</b>	<b>25,541,219</b>	<b>26,869,926</b>	<b>18,708,187</b>
<b>Grand Total ...</b>	<b>91,724,588</b>	<b>168,540,828</b>	<b>151,275,662</b>	<b>120,990,484</b>	<b>121,840,794</b>

The effect of the money has been raised will be seen in the statement herewith:—

*Purposes for which Capital has been Subscribed by Great Britain for Home, Indian, Colonial and Foreign Securities in First Halves of last Nine Years.*

Class of Security.	1915. £	1914. £	1913. £	1912. £	1911. £	1910. £	1909. £	1908. £	1907. £
<b>Government:</b>									
United Kingdom ...	36,363,095	6,127,500	4,943,020	2,978,708	1,831,917	4,969,375	3,461,167	1,796,583	Nil
Indian ...	Nil	990,000	Nil	2,790,000	3,350,000	7,237,500	7,275,000	4,950,000	3,447,500
Colonial ...	16,273,750	41,435,583	14,951,512	2,851,034	2,455,000	5,074,525	21,711,270	9,581,269	9,523,383
Foreign ...	23,950,000	22,672,082	24,498,499	3,469,495	12,297,145	12,687,600	15,727,380	6,676,125	4,480,767
Total ...	76,586,845	71,225,165	44,393,031	12,089,237	19,944,062	29,969,000	48,174,817	23,003,977	17,451,650
<b>Municipalities:</b>									
United Kingdom ...	Nil	2,610,000	Nil	373,750	2,542,070	396,382	3,183,920	6,358,659	5,269,152
Indian ...	Nil	Nil	Nil	Nil	Nil	487,500	1,178,500	985,000	Nil
Colonial ...	350,000	7,235,320	8,991,862	4,296,136	3,215,779	2,233,230	2,944,413	3,141,767	700,193
Foreign ...	Nil	9,989,294	3,083,654	9,188,298	1,543,000	6,518,275	7,923,653	4,241,812	313,830
Total ...	350,000	19,834,614	12,075,516	13,858,184	7,300,849	9,638,387	15,230,486	14,727,238	6,283,175
<b>Railways:</b>									
United Kingdom ...	1,751,838	1,905,000	1,013,750	935,000	620,000	2,867,750	15,000	9,784,926	900,000
Indian ...	3,465,000	1,950,000	2,950,000	Nil	772,000	3,100,000	3,183,875	4,774,250	300,000
Colonial ...	2,475,000	14,581,894	22,369,522	10,183,138	3,851,720	5,729,974	3,926,086	10,867,153	3,313,680
Foreign ...	2,940,000	14,380,931	17,713,848	19,319,646	34,468,650	28,019,601	26,553,649	25,602,373	12,235,805
Total ...	10,631,838	32,817,825	44,047,120	30,437,784	39,712,370	39,717,325	33,678,210	52,028,702	16,749,485
Banks ...	106,996	1,415,395	1,944,965	3,020,000	2,942,000	1,381,714	Nil	1,732,500	5,459,333
Breweries ...	Nil	911,500	Nil	286,990	240,000	275,000	Nil	120,000	Nil
Canals and Docks ...	Nil	Nil	Nil	Nil	Nil	532,000	450,000	332,500	Nil
Com., Industrial, &c. ...	2,077,829	12,788,247	21,066,365	17,404,198	18,184,530	13,768,870	9,404,849	8,812,486	6,731,863
Electric Light and Power ...	546,950	4,189,147	2,503,028	4,812,354	2,547,685	1,138,379	2,794,430	2,168,271	354,020
Fin., Land, Invest. & Trust ...	45,000	7,894,088	6,260,292	6,984,225	11,210,168	13,164,111	3,401,228	3,961,794	3,179,580
Gas and Water ...	20,000	895,346	892,410	1,109,187	779,880	52,500	438,893	555,124	548,567
Insurance ...	40,000	220,911	182,430	418,750	155,873	291,000	333,750	582,205	1,175,000
Iron, Coal, Steel, &c. ...	170,930	3,168,020	4,154,564	5,971,505	2,059,747	3,513,310	1,818,085	1,602,840	941,714
Mines ...	21,000	1,124,750	2,363,804	3,186,823	7,113,802	8,802,368	5,197,935	2,734,415	2,442,245
Motor Traction ...	Nil	1,506,500	678,750	131,812	264,736	194,485	531,250	745,416	1,344,137
Nitrate ...	Nil	285,000	180,000	Nil	Nil	Nil	145,500	196,500	Nil
Oil ...	25,000	1,374,709	3,143,600	2,147,781	2,202,625	9,290,393	1,505,250	545,000	1,297,000
Rubber ...	195,200	482,945	906,044	1,696,540	2,581,885	17,877,592	1,299,986	399,598	758,220
Shipping ...	475,000	4,238,500	2,141,993	8,023,812	500,000	2,350,055	655,000	976,000	970,000
Tea and Coffee ...	Nil	118,330	155,750	157,100	524,500	Nil	Nil	10,000	Nil
Telegraphs & Telephones ...	Nil	244,000	592,000	2,614,970	531,919	2,437,500	Nil	400,000	8,940,000
Tramways ...	432,000	3,805,836	3,594,000	6,629,232	3,044,163	3,862,550	7,574,889	2,329,018	884,402
Grand Total ...	91,724,588	168,540,828	151,275,662	120,980,484	121,840,794	158,256,539	132,634,568	117,963,584	75,510,391

## BANKING PROFITS.

BANKING profits in the past half-year have probably been larger than they were in the June half of last year, and bankers should experience very little difficulty in maintaining their dividends at last year's rates. The question of whether or not it is advisable for bankers to maintain their dividends at the present time is, however, a matter of discussion. Certainly it is desirable to write down the values of investment securities, and it is also advisable for bankers to assist the country in accumulating as much capital as possible at the present time, which they can do, of course, by following a conservative dividend policy. But whatever course the directors of our banks may adopt, the fact remains that their profits for the past half-year have been large, and that they are likely to be still larger in the current half-year. Indeed, the outlook is that banking profits until the termination of the War will probably be greater than they have ever been. With enormous Government loans issued from time to time as the money is required to carry on the War bankers will have no difficulty in employing the whole of their funds at profitable rates of interest. Moreover, with the foreign exchanges as adverse as they are now, and with gold going out of the country, it is essential that rates of discount should be maintained at a level that will help to check the export of gold by attracting money to London from all parts of the world. And with the profitable rates of interest which these conditions impose bankers will probably have at their

disposal greater deposits than they have ever had before. Of course, subscriptions to the Loan will involve a great withdrawal of deposits, but inasmuch as the money will be set free again by the Government almost as soon as it is received, the deposits of bankers will not be affected, and on balance the issue of the Loan is likely to increase rather than to diminish the deposits of bankers. The last loan of £350,000,000 brought a very substantial addition to deposits, and the enormous sums now being expended on the one hand, and received on the other, should cause people to keep much larger balances than normally with their bankers and thus to increase the deposits.

A situation in which the deposits are abnormally large, and can be fully employed at a rate of interest of nearly 5 per cent., is one of great advantage to bankers, and, consequently, their business should be unusually profitable. Of course, one has to recollect that a rate of  $4\frac{1}{2}$  per cent. interest for Government debt necessarily means a fall in the prices of existing securities, and that the need to write down the values of securities still further will absorb a great deal, if not the whole, of the additional profits that are gained. Nevertheless, the effect of the operation will be to increase largely the actual or potential profits of bankers. As soon as War is over a great recovery in prices of securities will be witnessed, and the profits which bankers may now devote to depreciation will then constitute real reserves.

In the past half-year the Bank rate has remained unchanged at 5 per cent. The great supply of money,

however, and the relatively short supply of bills have prevented bankers from securing an average rate of more than £2 7s. 10d. for the discount of three months' bills, while day-to-day money has been worth on the average not more than £1 3s. 8d. It should be borne in mind, however, that bankers employ about 40 per cent. of their total funds in advances to private customers, and that on the large amount of money they so employ they have obtained a rate of interest of about 6 per cent. in comparison with a rate last year of only about 4½ per cent., the average Bank rate in the first half of 1914, which regulates the charge to private customers, having been only £3 4s. 10d., against 5 per cent. this year. The following statement shows the average Bank of England rate, the open-market rate of discount, &c., for the past half-year in comparison with former half-years:—

Average Interest Rates per Cent. per Annum: June Halves.

Half-Year ended June 30	Bank of England Rate %	Open-Market Rate Discount 3 Months' Bills		Day-to-Day Money %	Deposit Rates— Banks' at Notice Rates		Discount Houses at Notice %
		£ s. d.	£ s. d.		£ s. d.	£ s. d.	
1915 ...	5 0 0	2 7 10	1 3 8	2 0 0	2 1 6		
1914 ...	3 4 10	2 9 8	1 19 6	1 14 10	1 19 10		
1913 ...	4 15 11	4 6 0	3 19 0	3 5 11	3 10 11		
1912 ...	3 9 3	3 5 4	3 1 4	1 19 3	2 10 9		
1911 ...	3 7 10	2 13 0	2 9 8	1 17 10	2 6 4		
1910 ...	3 12 7	3 1 5	2 13 8	2 2 7	2 9 2		
1909 ...	2 14 3	1 17 8	1 14 10	1 4 3	1 11 5		
1908 ...	3 10 7	2 16 0	2 14 6	1 19 6	2 7 9		
1907 ...	4 13 10	4 4 8	3 11 3	3 2 10	3 8 4		
1906 ...	3 17 11	3 11 2	3 5 8	2 7 11	3 2 4		
1905 ...	2 13 9	2 5 1	2 1 11	1 3 9	1 18 8		

The greatly increased profit which bankers have derived from advances to private customers and the reduced profit they have obtained from the discount of bills and from the loan of money from day to day will be apparent from the following statement:—

Banks' Margins of Profit, June Half-Year.

	1915 £ s. d.	1914 £ s. d.	Inc. or Dec. £ s. d.
<b>Profit on about one-half of deposits—</b>			
Average rate charged to private customers	6 0 0	4 4 10	+ 1 15 2
Average discount rate, three months' bank bills, allowing for brokers' commission ...	2 6 7	2 8 5	- 0 1 10
Average charge for day-to-day loans ...	1 3 8	1 19 6	- 0 15 10
<b>Average bank deposit rates ...</b>	<b>2 0 0</b>	<b>1 14 10</b>	<b>+ 0 5 2</b>
<b>Profit on about one-half of deposits—</b>			
Margin of profit between rates charged to private customers and the deposit rates ...	4 0 0	2 10 0	+ 1 10 0
Margin of profit between discount and deposit rates ...	0 6 7	0 13 7	- 0 7 0
Margin of profit between rates for day-to-day loans and deposits ...	Dr. 0 16 4	0 4 8	- 1 1 0

The cheapness of short money in comparison with the bill rate has been of advantage to the discount houses, who have evidently made a great deal more profit in the past half-year as far as the rate of interest goes than they did in the corresponding half of last year. The amount of business done by the discount houses has, however, been much smaller than usual. The margins of profit obtained by the discount houses are shown by the following statement:—

Margins of Profit obtained by Discount Houses, June Half-Year.

	1915 £ s. d.	1914 £ s. d.	Inc. or Dec. £ s. d.
<b>Income—</b>			
Aver. discount rate, 3 months' bank bills	2 7 10	2 9 8	- 0 1 10
<b>Expenses—</b>			
Average rate, day-to-day loans ...	1 3 8	1 19 6	- 0 15 10
Average deposit rates at notice ...	2 1 6	1 19 10	- 0 1 8
<b>Profit—</b>			
Margin of profit between rates of discount and for day-to-day loans ...	1 4 2	0 10 2	+ 0 14 0
Margin of profit between discount and deposit rates ...	0 5 3	0 9 10	- 0 4 7

If bankers decide to maintain their dividends at last year's rates, as we anticipate they will do for the

most part, the rates of distribution for the past twelve months will compare as follows with the dividends of previous years:—

	1914. %	'13. %	'12. %	'11. %	'10. %	'09. %	'08. %	'07. %	'06. %	'05. %	'04. %
<b>Bank Rate ...</b>	<b>4·04</b>	<b>4·75</b>	<b>3·77</b>	<b>3·47</b>	<b>3·73</b>	<b>3·10</b>	<b>3·01</b>	<b>4·12</b>	<b>4·25</b>	<b>3·0</b>	<b>3·3</b>
B. of England	10	9·21½	9½	9½	9½	9½	9½	9½	9½	9½	9½
Barclay ("A")	10	13·33a	13·33½	12½	12½	13½	15½	15½	15½	15½	15½
Barclay ("B")	10	18½	18½	18½	18½	18½	18½	18½	18½	18½	18½
Cap. & Counties	15	16	16	16	16	16	18½	18½	18½	18½	18½
Lloyds ...	18½	18½	18½	18½	18½	18½	18½	18½	18½	18½	18½
L. & Prov. ...	19	19	19	18½	18½	18½	18½	18½	18½	18½	18½
L. & S.-West. ...	17	17	17	17½	16½	16½	16½	16½	16½	16½	16½
L. City & Mid. ...	18½	18½	18½	18½	18½	18½	18½	18½	18½	18½	18½
L. City & West. ...	21½	21½	21½	21½	20½	20½	20½	20½	20½	20½	20½
L. Joint Stock ...	11	10½	10½	10·45	10½	10½	11½	11½	11½	11½	11½
Martin's ...	7	8	8	8	8	8	8	8	8	8	8
National ...	10	10	10	10½	11·34	11½	11½	11½	11½	11½	11½
Natl. Prov. ...	16	18	18	17½	17½	17½	17½	17½	17½	17½	17½
Parr's ...	19	21	21	21	20½	20½	20½	20½	20½	20½	20½
Un. of London	11	12	12	12	11·83	10½	10½	11½	11½	11½	11½
Wms. Deacon's ...	14½	15	15	15	15½	15½	15½	15½	15½	15½	15½
Natl. Discnt. ...	10½	10½	10½	10½	10½	10½	10½	10½	10½	10½	10½
Union Discnt. ...	13½	12½	12½	12½	12½	12½	11½	11½	11½	11½	11½

† Free of income tax. ‡ Method of paying divs. changed during year 1st half free of, and 2nd half less, tax. (a) Div. on old form of shares.

The high yields that can now be obtained on investment securities have brought about a marked decline in the prices of Bank shares, and at current prices the yields afforded are very tempting, especially when regard is had to the great sums which the Companies have written off for depreciation in recent years, and to the very large profits they are likely to make while the War lasts, and which will become available after the War when prices of securities appreciate. It should be realised that the profits of bankers will be very largely increased by the conversion of Consols into the new War Loan. The investments of the joint-stock banks at the end of last year represented nearly 18 per cent. of their total assets, and after subscribing for the new Loan they will be about twice as great. On this great sum of money they will now derive a rate of interest of about 4½ per cent., whereas immediately prior to the War the average rate of interest obtained was only 3¾ per cent., and not so many years ago was only 3 per cent. If they retain their investments until the War is over, and realise gradually as savings accumulate and prices of securities recover, not only will bankers' income be largely increased by the present advance in the rate of interest on securities, but they will derive a great profit from the subsequent increment in value. Having regard to the fact that at the present time all the great financial interests of the country are closely bound together, and that whatever happens the deposits of our great banks are fully secure, Bank shares at current prices are exceptionally attractive.

The statement herewith gives an idea of the return afforded by bank shares on the assumption that the distributions for the June half of 1914 will be repeated for the first half of this year:—

Name of Bank	Value of Shares		Price of June		Divs. 1914-15--				Yield % per An.
	Nomi- nal	Paid up	Per Share	Per Cent.	2nd Hf. 1914	1st Hf. 1915	Yr. 1914-15		
Bank of England ..	100	100	£ 232	£ 232	10	10	10	4 7 11	
Barclay & Co. "A" ..	4	4	8½	205½	10	10	10	4 19 3	
" " "B" ..	16	4	10	250	17½	20	18½	7 15 7	
Capital & Counties	50	10	24½	247½	14	16	15	6 4 9	
Lloyds ...	50	8	24½	30½	18½	18½	18½	6 1 10	
London & Provincial	10	5	17½	155	19	19	19	5 9 6	
L. & Sth.-Western	10	4	12½	315½	16	17½	16½	5 7 6	
L. City & Midland	12	2½	7½	310	18	18½	18½	5 19 5	
L. County & West.	20	5	15	300	21½	21½	21½	7 6 10	
London Joint Stock	100	15	22	146½	11	11	11	7 15 9	
Martin's ...	20	10	14½	143½	8	6	7	4 19 8	
National ...	50	10	18	180	10	10	10	5 15 3	
Natl. Provincial	75	10½	28	254	14	18	16	6 3 7	
Parr's ...	60	12	30	250	14	18	16	6 12 3	
Union of London	100	15½	23	148½	10	12	11	7 13 7	
Williams Deacon's	50	8	14	140	14	15	14½	6 1 8	
National Discount	25	5	6	100	10	10½	10½	8 14 0	
Union Discount ...	10	5	10½	205	13	13½	13½	6 11 0	

(\*) Estimated. (†) "A" shares rank *pari passu* for div. up to 10%, the "B" shares being entitled to any surplus profit. (‡) Actual.

## LONDON AND LANCASHIRE LIFE AND GENERAL

ASSURANCE ASSOCIATION LIMITED.

### LIFE — FIRE — ACCIDENT.

The "SUPREME"

#### Accident and All-Illness Policy.

In addition to providing large Capital Sums for Death, compensates up to 104 weeks for all Accidents, and up to 52 weeks for all Illnesses.  
**NO MEDICAL EXAMINATION.**

FULL PARTICULARS ON APPLICATION TO

**HEAD OFFICE: 66 & 67 CORNHILL, E.C.**

## Financial Notes.

Of the European Allies who have been engaged in the War from the very beginning our readers doubtless have noticed that France so far has distinguished herself most. We do not for a moment forget that Russia hastened up troops to compel the two Empires that forced on the War to withdraw a considerable portion of their forces from France. We readily admit, therefore, that Russia contributed powerfully to bring about the failure of Germany's plans. Furthermore, we do not doubt that Russia by-and-by will bring up an overwhelming force, and will play a very great part in destroying the militarism which has inflicted so much suffering upon the world. But during the first eleven months of the War it is still true to say that France has distinguished herself the most.

For some time before the War there were very great doubts respecting the ability of France to act as her ancient reputation entitled us to expect. There was a portion of her people who seemed more eager to come to some compromise with Germany than to prepare France for playing a great part in her own defence. And there was unquestionably a slackness in making preparations. When the War broke out she was found to be quite unready; and she had to get rid of incompetent generals as well as to call up the whole of her fighting force before she was able to stop the German onrush at the Marne.

Even after the Germans were hurled back from the Marne the French were not able to act as powerfully as might have been anticipated. But after a while the spirit of the people rose, and during recent months France unquestionably has played a much more prominent part than either of her two great Allies. We ourselves have been prevented from doing what otherwise we might have done by the want of a sufficient supply of munitions; while the Russians have been hindered, firstly, by a similar want of munitions, and, secondly, by the fact that she was taken at a disadvantage before the reconstruction of her army was completed, and before, therefore, it was possible for her to accumulate on or near the German frontiers such an overwhelming force as would have decided the War.

We have no desire to minimise the services to the Allies rendered by Russia. Quite the contrary. We do not doubt the great military strength of Russia. And we are perfectly confident that Russia will do all that has been expected of her, and probably more, when she has sufficient time to gather her whole force and fling it upon the enemy. We are merely calling attention to the marked recovery of France and the great promise this affords of peaceful and fruitful progress throughout Europe in the future. There was much before the War began to encourage the pessimistic view, almost universal in Germany, that

France had played her part in the world, and had permanently taken a second rank. Careful observers, however, noted many symptoms of revival in France, and were by no means inclined to adopt the German verdict. Still, the majority did undoubtedly share the German view. Now we see that the spirit of the French people, taking them altogether, is as fine as it ever has been, and that the soldiery have their old courage, their old *élan*, and their old determination "to do or die."

Hardly less remarkable than the united front presented by the French people to the enemy—a front which seems to proclaim that the old party animosities are at an end, and that before the invader there is only one party, the party of France—is the extraordinary recovery that has taken place industrially. France was so discouraged by her disasters in 1870 that unquestionably she has not made the same economic progress as, for example, Germany. Moreover, the richest portions of France, from a manufacturing point of view at all events, were occupied by the Germans. It seemed to follow, therefore, that France could not provide herself with all the munitions of war she required; and would, in consequence, be largely dependent for such supplies upon this country. Yet we see France better provided in every way than ourselves. It is the French who, during the past couple of months, have kept up a constant attack upon the enemy; who have brought to bear against him superior artillery; and who have pushed him back—slowly, it is true, but still steadily and continually. France has guarded a front against the enemy many times longer than the British and the Belgian fronts put together, and yet not only has France held that front, but she has gained upon the front of the enemy.

The conclusion we draw from all this is that the consequences of the virile exhaustion a century ago of France throughout nearly a quarter of a century of wars brought on by the Great Revolution is at an end. The French population is once more vigorous, and the true French spirit is once more exhibiting itself. It will take time of course, before population begins to increase materially. And it will take time, likewise, before enterprise of every kind sends France once more to the front upon the Continent. But the period of decay is ended, and a new period of recovery and rejuvenescence has set in. We hail this as the most satisfactory sign yet presented by the War; for it is the recovery of a great democratic people with noble ideals and a desire for human improvement. We hail it, moreover, as promising a more peaceful era in the future.

#### BIRMINGHAM CORPORATION BILLS.

TENDERS will be received at the Bank of England, London, on Monday next, July 5, for Birmingham Corporation bills to the amount of £500,000, in replacement of a similar amount of bills falling due on July 11. The bills will be dated July 10, 1915, and will be payable at twelve months after date.

## LONDON CITY & MIDLAND BANK

LIMITED.

ESTABLISHED 1836.

SUBSCRIBED CAPITAL	-	£22,947,804
PAID-UP	-	4,780,792
RESERVE FUND	-	4,000,000
CASH	-	33,496,834
DEPOSITS	-	136,767,983



## National Shawmut Bank

of Boston, Mass.

First Charter 1837

**Largest Bank in New England**

**Total assets over \$110,000,000**

## American Topics.

### THE AMERICAN SITUATION.

THE condition of the New York Exchange and the sales of American securities by British investors in order to subscribe to the new War Loan and for other purposes have brought into prominence the question of the precise amount of American securities held abroad, and, in order to obtain more accurate data than has hitherto been available, Mr. L. F. Loree, the President of the Delaware and Hudson Company, has endeavoured to obtain complete information from all the important railroads of the country of the amount of their securities held abroad. The companies have been able to answer Mr. Loree's questions more categorically and completely than would have been possible a short time ago, for the reason that under the American income-tax law foreign holders of securities are exempt, and in order to obtain their interest or dividends free of tax they must make a declaration of exemption.

The interesting statement we have received from Mr. Loree, and which is of special interest to our readers at the present time, is as follows:—

#### RAILROAD SECURITIES HELD ABROAD.

“Requests were sent to 145 railroad corporations, being all the railroads in the United States above 100 miles in length.

“Replies were received from 136 companies. 100 companies furnished classified statements of securities held abroad, while 36 replied that none of their securities was so owned.

“Nine companies have not yet replied, of which seven are negligible.

“The stocks were identified by entries in the transfer books of the issuing companies. To the extent that they may be carried in the names of domestic bankers, brokers, or institutions, for foreign holders, the amount would be understated.

“The bonds were in the main identified by the ‘slips’ filed by the payee under the requirements of the Federal Income Tax Law. Where interest is in default there would be no income-tax certificates in respect of coupons not paid, and to that extent the amount would be understated.

“The information was determined from data collected from October 1914 to April 1915, and during that period there have been large sales of these securities for foreign account in the American markets, and to that extent the amount would be overstated.

“There are held in France several hundred million dollars worth of American Railroad securities that are not repayable except in francs, and that cannot in any likely contingency come upon this market. Where

such bonds are in default there may be issued in place thereof, when reorganisation is carried through, bonds payable in dollars. The amount of such bonds in default is not great.

“There are held in Great Britain many of these securities by life and fire insurance companies that are likely to be held against calamities. There are also large amounts held by trustees, and people of large means, likely to be retained as insuring an income against any possibility of disaster.”

#### Summary of U.S. Railroad Securities held Abroad.

Preferred Stock, First	...	...	...	161,281,000
“ “ Second	...	...	...	100,000
Common Stock	...	...	...	633,802,000
Notes	...	...	...	61,376,000
Debenture Bonds	...	...	...	204,005,000
Collateral Trust Bonds	...	...	...	227,610,000
Mortgage Bonds	...	...	...	1,269,057,000*
Equipment Bonds (includes Equipment Trust Certificates)	...	...	...	17,364,000
Car Trusts	...	...	...	808,000
Receivers' Certificates	...	...	...	998,000
Total	...	...	...	2,576,401,000

No. of roads requested to furnish information	...	145
No. of roads reported as having securities abroad	...	100
No. of roads reported as not having securities abroad	...	36
		136

No. of roads from whom reports have not been received 9

\* This amount includes \$1,355,000 of Mortgage Bonds of the Colorado Midland Railway Company, that Company stating that they only had record of 60 per cent. of the total of such bonds issued, and this \$1,355,000 is based upon 60 per cent. of the total of such bonds issued.

Whether or not American agents of English persons and companies have securities registered in their names which are really the property of English holders cannot be ascertained. There is, however, a very general idea that a large amount of American securities is held in New York and elsewhere on behalf of Europeans, and to the extent that this is the case the amount of American securities owned by Europe will be greater than the amount calculated with so much care and thoroughness by Mr. Loree. Furthermore, Europe holds a considerable quantity of American securities other than railways. Not only is there a great European holding of securities in companies such as the Steel Corporation and other industrials, but there is a considerable amount of money in American mining ventures of various kinds and descriptions, as well as a large sum of private money lent on mortgage, invested in land and property and employed by private firms. Consequently the total sum of money invested in the country is largely in excess of the £500,000,000 which Mr. Loree calculates is invested in American Railroad securities upon which interest and dividends are ear-marked to European holders by claims to income tax exemption.

Exports from the United States continue to be abnormally large, the amount for May having reached the great total of \$274,000,000, against \$162,000,000 last year, and as the imports were of the value of only \$142,000,000, against \$164,000,000, there was an excess of exports over imports in May of \$132,000,000, against an excess of imports of \$2,500,000 in May of last year. Since the War began at the beginning of August last the excess of exports over imports has reached the enormous total of \$988,000,000, and it is obvious that for the first year of the War to the end of July the excess will exceed \$1,200,000,000, or £240,000,000. The sum indicates that in the first twelve months of war the United States has lent abroad on balance, or bought back its own securities, to the extent of something like £100,000,000.

In the next twelve months, if exports are maintained and imports do not expand, the amount invested abroad would reach a still greater sum, as the tourist expenditures are now quite small. But it is probable that the exports will show much greater expansion having regard to the price of cotton and the

greater demand for it than in the current year, as well as to the great quantities of raw materials and supplies of all kinds which Europe is purchasing from the United States.

In the twelve months to the end of June the value of the exports of American produce has reached over \$2,750,000,000, against \$2,361,000,000 last year, an increase of nearly \$400,000,000. We shall certainly be surprised if in the twelve months to June of next year the value of the exports does not approach \$4,000,000,000, and in place of an excess of imports over exports in the current year to June of about \$1,100,000,000 there is not an excess of exports over imports of nearly \$2,000,000,000. Whether or not this expectation will be realised will depend, however, entirely upon the American people themselves. If they are disposed to lend money to Europe and to the world in general, they will be able to sell all the goods they have to dispose of. If, however, they are not willing to lend money as freely as we anticipate, then their exports will be kept down to the extent which foreign nations can pay them in goods or can obtain loans from the United States. There is practically no limit either to the productive power of the United States or to the goods they can sell, and as the country has abundance of gold and is desirous of becoming a great international Money market, we have no doubt the American people will lend all the money which other nations need to borrow in order to pay for the American goods they wish to purchase.

The enormous value of America's exports and the great excess of exports over imports are shown by the following comparisons:—

Merchandise (May).				
	1915	1914	Inc. or Dec.	
	\$	\$	\$	
Imports .. ..	142,285,000	164,282,000	— 21,997,000	
Exports .. ..	273,768,000	161,733,000	+112,035,000	
Exc. of Exp. or Imp.	Exp. 131,483,000	Imp. 2,549,000	+134,032,000	

The growth of America's exports month by month, and the smallness of the imports since the War commenced, will be evident from the following statement:—

*Merchandise Exports from and Imports to the United States.*

(In hundreds of thousands of \$: 00,000's omitted.)

	Exports—			Imports—		
	1914-15	1913-14	+ or -	1914-15	1913-14	+ or -
	\$	\$	\$	\$	\$	\$
Aug. ..	110.3	187.9	— 77.6	129.8	137.7	— 7.9
Sept. ..	156.1	218.2	— 62.1	139.7	171.1	— 31.4
Oct. ..	194.7	271.9	— 77.2	138.1	132.9	+ 5.2
Nov. ..	205.9	245.5	— 39.6	126.5	148.2	— 21.7
Dec. ..	245.6	233.2	+ 12.4	114.7	184.0	— 69.3
Jan. ..	267.9	204.1	+ 63.8	122.1	154.7	— 32.6
Feb. ..	299.8	173.9	+125.9	125.1	148.0	— 22.9
Mar. ..	296.6	187.5	+109.1	158.0	182.6	— 24.6
Apr. ..	294.5	162.6	+131.9	160.6	173.8	— 13.2
May ..	273.7	161.7	+112.0	142.3	164.3	— 22.0
10 mos...	2,345.1	2,046.5	+298.6	1,356.9	1,597.3	—240.4

The growth of the trade balance in favour of the United States month by month is shown by the following statement:—

*Excess of Exports from or Imports into U. States.*

	1914-15		1913-14	
	\$		\$	
Aug. ..	Imp. 19,401,000	Exp. 50,257,000	Exp. 16,341,000	Exp. 47,155,000
Sept. ..	Exp. 56,631,000	Exp. 138,912,000	Exp. 97,303,000	Exp. 97,303,000
Oct. ..	Exp. 130,976,000	Exp. 49,324,000	Exp. 25,875,000	Exp. 25,875,000
Nov. ..	Exp. 145,731,000	Exp. 4,944,000	Exp. 138,630,000	Exp. 11,209,000
Dec. ..	Exp. 174,683,000	Imp. 11,209,000	Exp. 133,894,000	Imp. 11,209,000
Jan. ..	Exp. 138,630,000	Imp. 2,549,000	Exp. 131,483,000	Imp. 2,549,000
Feb. ..	Exp. 133,894,000	Imp. 2,549,000	Exp. 131,483,000	Imp. 2,549,000
Mar. ..	Exp. 133,894,000	Imp. 2,549,000	Exp. 131,483,000	Imp. 2,549,000
Apr. ..	Exp. 133,894,000	Imp. 2,549,000	Exp. 131,483,000	Imp. 2,549,000
May ..	Exp. 131,483,000	Imp. 2,549,000	Exp. 131,483,000	Imp. 2,549,000
10 months..	Exp. 988,379,000	Imp. 449,182,000	Exp. 988,379,000	Imp. 449,182,000

## ARGENTINE NORTH-EASTERN RY.

### PROPOSED FUNDING SCHEME.

The Argentine North-Eastern Railway seemed assured. The policy of development and extension inaugurated several years previously was beginning to bear fruit, and it looked as though the stockholders were at last within sight of receiving an adequate return upon the capital invested in the enterprise. Two years ago, for the first time, the Company was able to pay the full interest on its various Debenture issues, and not only so but a dividend, although small, was being earned on the Ordinary stock. All this has, however, been completely changed in the interval which has since elapsed. The acute financial depression throughout Argentina, coupled with a succession of wet seasons in the districts served by the railway, has caused a heavy falling off in receipts, and although every effort has been made to curtail expenditure, the decline in net revenue is such as to leave the directors with insufficient funds to meet the half-yearly dividend now due on the Company's "B" Debentures and "B" Debenture stock. They are accordingly submitting a scheme for the payment of interest for the next two years in 5% Funding Scrip, and, having regard to the conditions now obtaining, some such proposal as that put forward appears to be the only possible way out of the difficulty. The capital of the Company as at present existing consists of the following:—

	£
5% "A" Debenture stock .. ..	842,500
5% "A" Debentures (bearer) .. ..	357,500
5% "B" Debenture stock .. ..	290,428
5% "B" Debentures (bearer) .. ..	701,800
5% "C" Debenture stock .. ..	34,100
5% "C" Debentures (bearer) .. ..	965,300
Capital stock .. ..	2,768,500
Total .. ..	5,960,128

There is in addition a temporary loan outstanding of £320,000, for which the lenders hold as security £800,000 "C" Debenture stock. This loan fell due on June 1, and, subject to the lenders agreeing to extend the loan until September 1, 1917, and to accept payment of interest at the rate of 4 per cent. per annum in Funding Scrip, the scheme submitted is as follows:—

(A) The creation of £165,065 additional "B" Debenture Stock, ranking in all respects *pari passu* with the existing "B" Debentures and "B" Debenture Stock, and making a total authorised nominal amount of £1,157,292 "B" Debentures and "B" Debenture Stock.

(B) Interest due to Holders of "B" Debentures and "B" Debenture Stock on July 1st, 1915, and on the four subsequent half-years, if deemed necessary by the Board, to be satisfied wholly or in part in Funding Scrip at par bearing interest at 5 per cent.

(C) Interest due to the Lenders on June 1st and during the subsequent currency of their loan, if deemed necessary by the Board, to be satisfied to the extent of 4 per cent. per annum wholly or in part in Funding Scrip at par bearing interest at 5 per cent.

(D) The net earnings of the Company each year, after the provision of such sum as the Directors think fit for renewals and depreciation, to be devoted, after payment of the interest on the "A" Debentures and "A" Debenture Stock and the current interest on the "B" Debentures and "B" Debenture Stock, so far as such net earnings shall suffice, in the following order:—

1. To the payment of interest owing on Funding Scrip given to the holders of "B" Debentures and "B" Debenture Stock.

2. To the payment of interest on Funding Scrip given to the Lenders.

3. To the redemption of Funding Scrip given to Holders of "B" Debentures and "B" Debenture Stock.

4. To the redemption of Funding Scrip given to the Lenders.

(E) All Funding Scrip given to the Holders of "B" Debentures and "B" Debenture Stock or Lenders unredeemed at September 1st, 1917, together with all interest thereon not previously paid in cash, to be satisfied by new "B" Debenture Stock at par.

With regard to the "C" Debentures, provision is made for the settlement of the dividend of 2½ per cent. declared twelve months ago, but not paid owing to the crisis. This is to be satisfied in "C" Debenture stock, amounting to £23,809, to be issued at par to holders entitled to the dividend, the directors rightly considering it desirable that in any scheme such as that now proposed the outstanding amount in question should be dealt with.

Whilst the directors, in their circular to the stockholders, make little reference to the future, there is every probability that a revival of prosperity will set in at any moment. Taking Argentina as a whole the outlook could not be better. Not only are the crops abundant, but they are in great demand at exceptionally high prices; and this, too, applies to the other products of the country, such as cattle, sheep, dead meat, wool, &c., which, owing to the War, are in great request everywhere. In the coming twelve months, therefore, the wealth of the nation promises to be enormously increased. In the particular district served by the Argentine North-Eastern Railway some time may yet elapse before general conditions improve, but there is no doubt that the greater prosperity of the country generally will eventually filter through to every part; and, by the law of averages, the provinces of Corrientes and Entre Rios should, after their long spell of bad weather, now enjoy better climatic conditions and reap a series of more bountiful harvests.

Stockholders may therefore regard the present set-back, although severe, as a temporary matter, and when a turn in the tide does come, as it may do in the very near future, the recovery of prosperity may be rapid. At present the Company is only in the initial stages of development, and as a consequence it has felt the crisis more severely than the longer established and more developed undertakings. The history of the Company has not, it is true, been of a very brilliant character, for whilst over a quarter of a century has passed since the line was originally constructed, no distribution has yet been made on the capital stock. Established in 1887, the Company in the early years of its existence struggled valiantly against adversity, and it was not until 1907, when the East Argentine Railway was acquired, that any real progress was made. The acquisition of the East Argentine was expected to be followed by an amalgamation with the Entre Rios Railways, the three lines being physically connected and complementary one to the other. A fusion in its true sense was, however, never brought about, but the large interest which the Entre Rios Railways Company now has in the North-Eastern Company practically amounts to copartnership, and certainly assures amicable working arrangements between them. It is announced that a joint general manager of the two lines has now been appointed, subject to the control of a joint committee of the two boards in London. It is hoped that this arrangement will lead not only to economy in administration and the avoidance of wasteful competition, but to the improvement of facilities to the public using the railways.

To appreciate the possibilities of the future it is necessary first of all to grasp the geographical position of the railway as it exists to-day, and, secondly, to realise the efforts which have been and are being made to consolidate and develop the important railway system now extending from Asuncion, the capital of Paraguay, to Buenos Ayres, the capital of Argentina. Starting at Buenos Ayres, the Entre Rios Railways radiate throughout the province of Entre Rios and stretch as far north as Concordia. Here the system is carried further northward by means of the Argentine North-Eastern line to Monte Caseros, in the province of Corrientes. From thence it is divided into two sections—the Western branch, extending to the city of Corrientes, the capital of the province, and to Goya, on the river Parana; and the Eastern branch,

taking the course of the Upper Uruguay River as far as Apostoles, and on to Posadas, immediately opposite the Encarnacion terminus of the Paraguay Central Railway recently constructed. Here the Company has provided a steam ferry and loading facilities, whereby trains (passenger and goods) can be exchanged with the Paraguay Central Railway without breaking bulk or changing of carriage or gauge. The ferry-boat connection with Paraguay was inaugurated in October 1913, and although traffic over the new route has not so far come up to expectation owing to the depression in trade, there is little doubt that when things mend the ferry route will be very remunerative.

Other concessions have been granted the Company for the extension of its system, the most important being the prolongation of the line southward from Concordia to Concepcion del Uruguay, on the river Uruguay, where the National Government has constructed a port capable of accommodating ocean-going shipping. Now that this extension has been completed, capital expenditure has, practically speaking, ceased, and inasmuch as it is hoped that the Argentine Government will grant a further extension for the construction of the branch to Federal, it is not expected that any fresh capital expenditure will have to be incurred in the near future.

The traffic of the line is of a varied character. About one-third of the gross receipts is derived from passengers and two-thirds from goods and live stock. The goods traffic is made up of a variety of commodities, cereals at present forming but a small proportion of the total. Agriculture is, however, slowly spreading in the province, and a steady development of cereal traffic may be expected to result. The orange traffic is attaining considerable proportions. The varied nature of the freight traffic may be seen from the appended summary:—

*Freight Traffic—Argentine North-Eastern Railway*

	1913-14	1912-13	1911-12	1910-11	1909-10
<i>Goods—</i>					
Sleepers, posts, timber, &c.	31,013	29,659	21,761	24,198	22,824
Flour, bran ...	24,322	22,564	20,019	18,618	14,379
Maize ...	13,653	15,762	10,028	11,481	9,000
Stone, sand, lime, bricks ...	14,400	14,691	12,443	9,840	8,503
Oranges and tangerines ...	15,903	12,939	11,629	13,855	8,200
Salt ...	7,828	9,937	8,412	7,635	4,922
Jerked beef, &c. ...	9,589	8,869	7,801	2,097	—
Wool and hair ...	4,423	6,165	8,241	6,721	6,387
Fruit and vegetables ...	4,946	4,813	4,022	5,032	3,827
Hay ...	4,214	3,507	2,196	4,035	2,137
Charcoal ...	1,970	3,682	2,500	1,608	2,069
General merchandise ...	60,642	57,266	41,702	42,449	37,409
Miscellaneous ...	17,281	12,252	12,114	13,876	13,824
<b>Total goods ...</b>	<b>211,784</b>	<b>202,106</b>	<b>162,868</b>	<b>161,445</b>	<b>133,281</b>
<i>Live Stock—</i>					
Horned cattle ...	No.	No.	No.	No.	No.
Sheep ...	125,925	178,981	160,127	161,975	141,730
Horses ...	91,921	155,334	107,704	79,762	70,739
Pigs ...	7,140	7,083	5,951	5,784	4,581
	3,054	5,898	3,877	1,278	1,105
<b>Total live stock ...</b>	<b>228,040</b>	<b>347,296</b>	<b>277,659</b>	<b>248,799</b>	<b>218,155</b>

Although the set-back of the last two years has reduced the gross and net earnings to a relatively low level (the results for 1914-15 are, of course, not yet available), a glance at the accompanying table clearly shows the substantial progress which the Company was making prior to the present crisis:—

*Income Statement, Argentine North-Eastern Railway.*

Year	Miles Oper.	Gross Earnings	Expenses	Ratio %	Net Earnings
1913-14	667	348,488	237,461	68.14	111,028
1912-13	665	367,024	222,226	60.55	144,798
1911-12	665	319,312	195,882	61.35	123,430
1910-11	614	293,023	164,758	56.23	128,265
1909-10	560	245,533	140,281	57.13	105,252
1908-09	510	210,026	120,075	57.17	89,951
1907-08	510	174,682	111,155	63.63	63,527
1906-07	510	184,405	120,047	65.10	64,357
1905*	510	146,895	95,932	65.30	50,963
1904*	510	136,647	98,977	72.45	37,670

\* Combined results of the East Argentine and Argentine North-Eastern Railway Companies prior to amalgamation.

Stockholders should therefore bear in mind that their property is a valuable one, that the unprecedented happenings of the past two years may never recur, and that when the wave of depression has passed away, as it must do sooner or later, the recuperation of the

THE MOND NICKEL COMPANY LIMITED. The Capital Assets of the Company are as follows:—

	Amount	Interest	Price	Yield
5% "A" Debenture stock	£12,500	—	—	5.10
5% "A" Debenture stock	500,000	—	—	5.10
5% "B" Debenture stock	200,428	—	—	6.9
5% "C" Debenture stock	701,800	—	—	—
5% "D" Debenture stock	24,100	—	—	—
5% "E" Debenture stock	965,900	—	—	—
Ordinary stock	2,768,500	—	—	—
Total capital	4,262,228	—	—	—

\* Dividend on 100% of the ordinary shares of the company is paid in cash.

## MOND NICKEL COMPANY.

TWELVE months ago a reorganisation of this Company was carried through in order to bring the capital more nearly in accord with the actual value of the assets than the figures at which it stood indicated. First of all, the development of the existing mines in Canada had proved them to be of much greater value than the figures at which they stood in the books, and, secondly, the purchase of new properties had added very considerably to the value of the assets. A minor consideration was the desirability of getting rid of Deferred shares from the capital. When the Company was formed the business was comparatively new, and the vendor instead of taking any cash profit preferred to take the risk of the success of the business in the form of Deferred shares. With the development of the property, however, and the rapid progress made, it became evident that on some future occasion there might be a division of interests between the Ordinary shareholders and the Deferred shareholders regarding the distribution of profit and reserve funds, &c. The Company was brought out in May 1901 for the purpose of carrying on the business of mining and smelting nickel and copper ores, and of refinery by a patent process invented by Dr. Ludwig Mond, and the capital was fixed at £600,000, divided into £250,000 of Preference shares, £300,000 of Ordinary shares, and £50,000 of Deferred shares. By June 1914 the capital was increased to £500,000 of Preference shares, in addition to the Ordinary and Deferred shares, while there was also in issue £375,000 of 5% First Mortgage Debenture stock. In order to carry out the capital reorganisation the old Company was liquidated, the assets being transferred to a new Company formed under the same name. Under the scheme each £5 Preference share was exchanged for five £1 new shares. Each £1 Ordinary share received one £1 Preference share, and one and a-half Ordinary shares of £1 each, while each Deferred share of £1 was exchanged for nine Ordinary shares of £1 each, and the effect of the scheme may be seen from the following comparison of the old and the new capital, and the amounts for which they were exchanged:—

Old Amount		Exchanged for			
		Debentures	Cum. Preference	Non-Cum. Preference	Ordinary
£	£	£	£	£	£
375,000	Debenture stock	375,000	—	—	—
500,000	7% Cum. Preference	—	500,000	—	—
300,000	7% Non-Cum. Ordinary	—	—	300,000	450,000
50,000	Deferred shares	—	—	—	450,000
Totals		375,000	500,000	300,000	900,000

During the past twelve months the capital has been further increased by the issue of £500,000 of 6% Debenture stock, which is redeemable at 101 per cent. at any time between January 1, 1920, and December 31, 1924, and £180,000 of 7% Non-Cumulative Preference shares, so that the capital in issue at the present time consists of £875,000 of Debenture stock and £1,880,000 of share capital.

Inasmuch as the invention relating to the process carried on by the Company was a new one, it is not surprising that for a time progress was slow. For the year ended April 30, 1902, no profit and loss statement was prepared, but for the following year a small

credit balance of £2,095 was shown in the profit and loss account, which was not, of course, large enough to pay the Preference dividend. But inasmuch as the Company had taken longer to reach the dividend-paying stage than Dr. Mond had anticipated, he decided to provide the whole of the money required for the Preference dividend out of his own pocket. About this time also the Company suffered from strikes at the works, but for the year to April 30, 1904, the profit amounted to £17,197, which enabled the Preference dividend to be paid and £3,265 to be written off preliminary expenses. For the following year, with profits rising to £30,916, a first Ordinary dividend of 6 per cent. was paid.

Since then the dividend on the Ordinary shares increased very rapidly, amounting, first, to 10 per cent., then to 12½ per cent., followed by three payments of 15 per cent., and two of 16½ per cent. Then followed a jump to 21½ per cent., while for the twelve months to April 30, 1914, the rate was increased to 35 per cent. Similarly the dividend on the Deferred shares rose from a first distribution of 18 per cent. up to no less than 158 per cent.

The profits made and dividends paid may be seen herewith:—

Year to April 30	Net Profit	Dividend on Ordinary	Deferred Dividend
£	£	%	%
1915 ...	300,296	20	158
1914 ...	261,146	35	85
1913 ...	201,102	21½	55
1912 ...	154,364	16½	55
1911 ...	148,214	15	43
1910 ...	120,112	15	43
1909 ...	117,179	15	43
1908 ...	125,007	15	43
1907 ...	100,665	12½	33
1906 ...	56,515	10	13
1905 ...	30,916	6	—
1904 ...	17,197	—	—
1903 ...	2,095	—	—

It will thus be seen that from 1906 the progress made has been of a very rapid description, and the profits at the present time are nearly six times those reported for 1906. For the twelve months to April 31, 1915, the profits have amounted to £300,296, as compared with £261,146 for the previous year. By reason of the alteration in the capital the amount required for the dividend on the Preference capital has risen from £27,721 to £58,036. The dividend on the Ordinary capital is fixed at 20 per cent., as against 35 per cent. on the Ordinary and 158 per cent. on the Deferred twelve months ago. After payment of these there is a balance of £62,245, which, with £37,755 taken from the carry-forward, making up a total of £100,000, is placed to reserve, the sum carried forward being £54,163, as compared with £91,918.

The manner of dividing the profits may be seen from the following:—

	1915	1914	1913	1912	1911	1910	1909
	£	£	£	£	£	£	£
Net profit	300,096	261,146	201,102	154,364	148,214	120,112	117,179
Directors' fees, &c.	15,015	13,057	10,055	7,718	7,410	6,006	5,859
Preference div., 7%	285,281	248,589	191,047	146,646	140,804	114,106	111,320
Ordinary dividend	58,036	27,721	26,367	26,367	26,367	26,367	22,716
Deferred dividend	165,000	98,875	60,031	45,906	45,906	42,375	42,751
Reserves	100,000	—	56,250	35,000	35,000	35,000	20,000
Balance	Dr. 37,755	42,393	8,143	13,242	7,400	12,236	3,053
Brought forward	91,918	49,525	41,382	28,140	20,740	32,976	29,923
Carried forward	54,163	91,918	49,525	41,382	28,140	20,740	32,976

\* Capital reorganised.

The total assets are valued at £3,265,222, of which property in Canada is valued at £1,527,080, and that in South Wales at £567,537, thus making the valuation of the total property both at home and abroad £2,094,617. The Company has shares in associated concerns valued at £161,221, and there are invest-

ments standing at £47,500. The stocks on hand at April 30 last amounted to £607,015. The position of the Company as at April 30 last may be seen from the following summary of the liabilities and assets:—

LIABILITIES.		ASSETS.	
	£		£
Issued capital	1,880,000	Land, buildings, &c.	2,094,617
Debenture stock	895,313	Shares in associated companies	161,221
Sundry creditors	139,539	Investments	47,500
Profit and loss	350,370	Stock on hand	607,015
		Sundry debtors	220,858
		Cash	134,011
	3,265,222		3,265,222

It will thus be recognised that a very strong position has been built up, and the future of the Company appears to be of a very bright description. The ore reserves are described as being in a magnificent condition, and it is estimated that at the present rate of production they will last something like half a century. This is, of course, without reference to the bodies of ore not yet proven. Moreover, the Company has the benefit of exceptionally good management both from the technical and financial point of view. It is engaged in the manufacture of an article that is of the greatest importance at the present time, inasmuch as metallic nickel is largely used for war material such as guns, projectiles, ammunition, and armour-plate for battleships, and it should be noted that the Company is the only refiner of nickel whose resources are entirely situated within the British Empire. There is no doubt, therefore, that at the present time large profits are being made, and this should continue for some considerable time to come, apart from the normal demands for nickel for ordinary industrial trade purposes. On the various securities yields ranging between 5 per cent. and  $6\frac{3}{4}$  per cent. may be obtained. The £1 Ordinary share is quoted at 75s., and on the basis of the 20 per cent. paid for last year a yield of  $5\frac{3}{8}$  per cent. is forthcoming. In view of the potentialities there is little doubt that the distribution on these shares will ultimately reach a much higher figure than the 20 per cent. paid for last year, and, consequently, the Ordinary shares form a distinctly attractive industrial investment. The same applies to the prior securities giving various yields, from the 5 per cent. on the First Debenture stock to  $6\frac{3}{4}$  per cent. on the Non-Cumulative Preference shares. All classes are well secured and, giving such good yields, are worth the careful attention of investors. The prices and yields afforded may be seen from the following:—

Amount £	Description	Par £	Price £	Div. %	Approx- Yield. £ s. d.
375,000	5% 1st Mort. Deb. stock	100	100	5	5 1 0
500,000	5% Red. Deb. stock	100	103	6	5 17 8
500,000	7% Cum. Pref.	1	25/-	7	5 14 3
480,000	7% Non-Cum. Pref.	1	21/6	7	6 14 7
900,000	Ordinary shares	1	75/-	20	5 12 7

## MARCONI INTERNATIONAL MARINE.

ANOTHER substantial step forward is reported by this, which is one of the most important subsidiary Marconi undertakings, during 1914. The Company is the operating concern which carries out the business on ships, and a large proportion of the capital is held by the parent Company. The number of telegraph stations owned and worked as public telegraph stations on the high seas increased from 788 at the end of 1913 to 905 at the end of 1914, and it is pointed out that, although these figures denote a marked appreciation of the Company's organisation, the increase would have been even more satisfactory had normal conditions prevailed. The progress is still being maintained, as the number of steamers fitted to June 19, 1915, had increased to 970. There are now over 2,000 ships, exclusive of ships of war, fitted with Marconi telegraph stations, and for the most part worked under the direction of the Marconi International Marine Company and its associated concerns. And the report states that it is of the highest satisfaction to the

directors, as doubtless it is to the shareholders, "that having regard to the present circumstances the vast organisation that for many years has been patiently and laboriously built up by the Company at great cost and without return should now prove to be of the utmost utility besides being financially successful." The progress that has been made may be gathered from the fact that, notwithstanding that the business suffered considerable disorganisation and some loss during the last five months of the year in consequence of the state of war, gross receipts rose from £146,326 to £175,105. After providing for working expenses, &c., and Debenture interest, the balance of net profit amounts to £55,668, as compared with £37,029 twelve months ago and £11,776 for 1910. In spite of the increase of 50 per cent. that has taken place in the net profit it has been decided very wisely not to increase the distribution, which remains at 10 per cent. After providing £3,500 for Debenture redemption, a sum of £10,000 is carried to reserve, and the carry-forward is increased by £11,560, bringing it up to £20,748.

Herewith we show the increase in the profits and the manner of distributing them for the past five years:—

	December 31 1914	1913	1912	1911	1910
Gross receipts	175,105	146,326	100,325	64,166	48,556
Expenses	98,579	92,019	59,862	37,307	22,015
Salaries and directors' fees	14,055	10,681	9,418	6,267	3,394
Debenture interest	6,812	6,597	6,609	4,864	3,351
Net profit	55,668	37,029	24,436	15,028	11,776
Ordinary dividend	30,608	30,604	20,406	14,284	10,203
	(10%)	(10%)	(10%)	(7%)	(5%)
Debenture redemption	3,500	3,500	3,500	1,750	—
Reserve	10,000	—	—	—	—
Brought forward	11,560	2,925	530	Dr. 1,006	1,573
	9,188*	3,142	2,612	5,118	3,545
Carried forward	20,748	6,067	3,142	4,112	5,118

\* Includes £3,120 taken from reserve to redeem 156 Debentures.

The capital in issue at the present time consists of £121,880 of First Mortgage Debentures and £306,084 of shares. The reserve at the end of 1914 was £5,630, and there was a share-premium account of £17,640; creditors stood at £76,856. The total assets were valued at £592,945, of which £252,289 represents plant, apparatus, furniture, and stores, while £219,381 represents the value of the consideration for licence and rights, and shares in associated companies. The accounts still contain paper assets of £14,323, representing discount on the issue of Debentures. Herewith we give a summary of the balance sheet as at December 31 last:—

LIABILITIES.		ASSETS.	
	£		£
Issued share capital	306,084	Plant, &c.	252,289
5½% 1st Mort. Debentures	121,880	License and rights and shares in associated companies	219,381
Reserve	5,630	Debtors	61,025
Share premium	17,640	Creditors	76,856
Creditors	76,856	Debenture discount	13,458
Profit and loss	64,855	Cash	6,792
		Loan against securities	40,000
	592,945		592,945

The £10,000 set aside from profits has been carried to a special reserve account as against loss sustained in consequence of attacks upon the fleet by enemy submarines, for which, however, it is contemplated that compensation will be received. The £10,000 is a sum "far in excess of all losses to date." The outlook for the Company remains of a satisfactory character, and there is no doubt that the use of Marconi installations on board ship will continue to increase, as the invention has already more than proved its value. Consequently the business should continue to grow and, given satisfactory management, the shares have very considerable potentialities. The £1 share is quoted at  $1\frac{1}{4}$ , giving a yield of practically  $8\frac{1}{8}$  per cent., a return which, in view of the possibilities, has considerable attractions.

Amount	Description	Par	Price	Dividend	Yield
£		£	£	%	£ s. d.
306,084	Shares	1	$1\frac{1}{4}$	10	8 6 7

UNION DISCOUNT COMPANY OF LONDON.—Interim dividend for the half-year to June 30 at the rate of 13 per cent. per annum, less income tax.

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## Insurance Notes.

### ENGLISH AND SCOTTISH LAW LIFE ASSURANCE ASSOCIATION.

Nothing out of the ordinary is to be noted in the latest annual report of the above life office; but, considering the difficult circumstances met with in the latter part of the year, the results may be considered satisfactory. It appears that during the first seven months of 1914 the new life business showed an advance on the corresponding figures of the preceding year, but subsequent returns, as in all other institutions, were adversely affected by the War. The amount of the new life policies issued was £465,981, of which £70,500 was reassured, the net retention thus being £395,481, as compared with £510,982 in 1913. Yet progress in the development of the business was made, for the total net life premium income was increased by £3,798 to £232,591. Expenses of management, inclusive of commissions, show a reduction of £2,112, the ratio as compared with premium income falling from 17.8 to 16.7 per cent. Only a part of this reduction is due to the diminished volume of business, all new policies involving special outlays, for it appears from the speech of the Chairman at the annual meeting that

by death amounted to £177,611. This is higher by £50,195 than was the case in 1913, but the death claims in that year were reported as less by over £60,000 than had been expected, and in 1914 their total is stated to have been well within what had been provided for, although they included some which were directly attributable to the War. Claims for £53,461 matured by survivorship. Through the year's operations the life assurance fund was increased by £46,884 to £2,839,918.

The Company transacts annuity business, but does not seem to particularly cultivate this section, for the amount received as consideration for new annuities in 1914 was only £9,842. Annuities for £22,656 were paid during the year, at the end of which the annuity fund amounted to £218,273. The sinking fund and capital redemption account shows a premium income of £10,496, and a relative fund at the close of the year of £116,178.

The total assets shown in the balance sheet on December 31, 1914, amounted to £3,319,384. The directors certify that the Stock Exchange securities stand at or below the values at which they appeared in the Association's balance sheet on December 31, 1913, or at or below cost price if acquired since that date. On referring to that balance sheet, we find that a comparison with middle Stock Exchange prices at the close of 1913 showed a net depreciation of £74,982. The question of valuation of securities will assume a more practical form in this Company at the close of the present year, when the next quinquennial valuation falls to be made.

The gross interest yield on the Association's funds shows a slight increase over that of 1913 (£4 7s. 2d., as compared with £4 6s. 8d. per cent.), but the net yield after deduction of income tax is reduced from £4 1s. 6d. to £4 0s. 11d. per cent. This still gives an actuarial profit of over 1 per cent. on the funds, as the assumed rate for valuation purposes is 3 per cent.

The Association was founded in 1839, and up to the close of last year had paid over 7 millions sterling in claims by death and survivorship. The reversionary bonuses declared at the last valuation were at the compound rate of 25s. per cent. per annum. The Company has a strong legal connection, and has influential boards of directors both in London and Edinburgh. A strong line of additional security, apart from the life funds, is given by a subscribed capital of £1,000,000, of which £70,000 is paid up and £930,000 is uncalled, in shares of £50, with £3 10s. paid on each. Shareholders are entitled to only one-tenth of the valuation profits of the life assurance business. Their annual dividends during the current quinquennium are at the rate of 9s. 6d. per share, free of income tax.

### SCOTTISH INSURANCE CORPORATION, LIMITED.

Up till four years ago this Company, whose headquarters are in Edinburgh, was known as the Scottish Accident Life and General Assurance Company. It was originally formed 38 years ago in order to transact ordinary accident business, and its other departments—life, fire, and employers' liability insurance—were later developments. The paid-up capital is of modest dimensions; out of £150,000 subscribed, £30,000 being paid-up in shares of £5 with £1 paid on each; but on this foundation a considerable business has been built up on careful lines, and, while good dividends have been paid, the reserves have attained a satisfactory standard, especially when the comparative youth of some of the departments is taken into account.

In respect of the operations of 1914 the dividend is declared at the same rate as in the previous year—namely, 20 per cent.—and the amount required for its distribution has been more than provided out of interest earnings; the balance, as well as the whole

of the trading profits in the commercial sections of the business, being added to the reserves. This appears a healthy position, although proportionately to premium income the trading profits have not been large.

The accident and general section is the largest of the Company's departments. The premium income therein in 1914 amounted to £76,760, and after payment of claims and expenses, and the adjustment of reserves for unexpired risks on the usual basis of 40 per cent. of the premium, the relative account shows a profit of £6,489, of which £4,770 arose from trading and £1,719 from interest earnings.

In the employers' liability section (premiums £41,576) the accounts similarly treated indicate a profit of £1,378, £207 being from trading and £1,171 from interest. In the fire account (premiums £14,844) the combined profit from trading (£220) and interest (£268) amounted to £488.

To the interest profits must be added £2,668, the excess of the interest earnings credited to the profit and loss account over expenses charged to the account and irrecoverable balances.

The total profits in the year's account appear to have thus amounted to £11,023, of which £5,197 arose from trading and £5,826 from interest. They have been thus disposed of:—

Subscription to National Relief Fund...	£ 100
Provision for possible loss through a German Treaty Company being unable to fulfil its obligations owing to the War ...	1,000
Added to investment reserve fund ...	2,000
Added to special fire reserve ...	1,000
Added to employers' liability reserve ...	1,000
Provision for year's dividend ...	5,533
Added to balance carried forward thereafter ...	390
	<b>11,023</b>

Apart from capital, life funds, investment reserve fund amounting to £20,000, and amounts reserved for outstanding claims in the accident and employers' liability departments the funds carried forward to 1915, after provision for dividend, are as follows:—

General reserve fund ...	£ 40,000
Fire insurance fund ...	7,938
Accident and general fund ...	33,780
Employers' liability fund ...	18,630
Balance of profit and loss account ...	8,164
	<b>108,512</b>

This represents about 81 per cent. of the total premium income (£133,182) in the fire, accident, and general, and employers' liability departments, or more than double the estimate on the usual lines of the amount required to cover unexpired risks at the close of the year.

The new business in the life department amounted in 1914 to £166,468, of which £15,900 was reassured, the Company's net retention being £150,568, as compared with £169,303 in 1913. Looking to the circumstances of the year this is not unsatisfactory. The total net life premium income was increased by £2,375 to £42,884, of which expenses, inclusive of commission, absorbed about 15.2 per cent. Claims by death amounted to £8,337 and claims by maturity to £3,703. Through the operations of the year the life fund was increased by £29,406 to £313,257, and the net interest yield, after deduction of income tax, seems to have been about 4 per cent., as compared with the valuation rate of 3 per cent. The next quinquennial valuation falls due at the close of the present year. The reversionary bonuses declared at the last division were at the rate of 30s. in the abstainers' section and 25s. in the general section per cent. per annum.

Total assets December 31, 1914, £508,598.

ALEXANDRIA WATER COMPANY. The dividend for the year ended 30th March 1915, at the rate of 10 per cent. on the Ordinary shares, and at the rate of 6 per cent. per annum on the preference shares.

## ALEXANDRIA WATER COMPANY.

A VERY slight diminution in profits has occurred during the twelve months to March 31, 1915, in spite of the present circumstances, but the dividend has been reduced from 12½ per cent. to 11½ per cent. The Company was formed in 1879, purchasing from the Egyptian Government the waterworks of Alexandria, the Government reserving the right by the contract of sale to repurchase after 20 years. In 1880 the Company made an additional contract with the Government, having purchased the waterworks of the suburb of Ramleh, and, in consideration of certain sacrifices made by the Company, the Government gave up its right of repurchase, so that the property of the two concerns and their concessions are now vested in the Company in perpetuity. A further convention was made in 1894, which provided, *inter alia*, for the establishment of a new system of filtration and the reduction in the price of water supplied to the poor. The immediate result of the new arrangement was a considerable loss of revenue to the Company; but, on the other hand, the municipality contributed £60,000 towards the cost of the new system of filtration, and the final result of the agreement has proved beneficial both the municipality and to the Company. Under the original concession the Government was entitled to one-half of the net profits of the Company after the shareholders had received a dividend of 10 per cent., but this right has been transferred to the municipality. The original capital was £350,000, but in order to cope with the steadily increasing business it has from time to time been increased, until the amount at present in issue is £600,000, in £5 shares.

The total number of consumers at March 31 last was 34,763, as compared with 34,896, a decrease of 133, while the quantity of water consumed fell from 18,374,305 cubic metres to 17,326,211, a decrease of 1,048,094 cubic metres. The total receipts for the year have amounted to £142,849, as compared with £144,270, so that the total revenue is down £1,421, but as a saving of £973 has been effected in the expenses the net profits are down only £448.

	Mar. 31, '15	Mar. 31, '14	Inc. or Dec.
Revenue from Private consumers ...	£ 115,932	116,573	— 641
„ Sakkas service ...	1,860	2,103	— 243
„ Harbour service ...	7,395	7,132	+ 263
„ Government service ...	8,217	8,557	— 340
„ Municipality service ...	9,445	9,905	— 460
Total revenue ...	142,849	144,270	— 1,421
Less Administration expenses ...	21,460	21,855	— 395
„ Pumping and filtration ...	15,963	15,822	+ 141
„ Distribution accounts ...	6,133	6,719	— 586
„ London office expenses ...	352	485	— 133
	43,908	44,881	— 973
Balance ...	98,941	99,389	— 448

In the following statement we show the gradual increase in receipts and net profits and the manner of distributing the same:—

Year ended	Mar. 31—1915	1914	1913	1912	1911	1910
	£	£	£	£	£	£
Receipts ...	142,849	144,270	138,043	131,238	124,969	117,928
Expenses ...	43,908	44,881	44,944	41,773	38,775	37,719
	98,941	99,389	93,099	89,465	86,194	80,209
Other income ...	9,141	11,110	10,756	10,713	8,468	4,083
	108,082	110,499	103,855	100,178	94,662	84,292
Depreciation, &c.	27,082	17,499	13,855	16,178	15,780	14,792
	81,000	93,000	90,000	84,000	78,882	69,500
Dividend ...	70,500	76,500	75,000	72,000	69,382	58,750
	(11½%)	(12½%)	(12½%)	(12%)	(11½%)	(11½%)
	10,500	16,500	15,000	12,000	9,500	10,750
Municipal distrib.	10,500	16,500	15,000	12,000	9,500	9,750

As against the total share capital in issue of £600,000, there is a reserve fund of £105,097, while there has also been set aside £15,000 as provision for depreciation of securities, this representing the loss in the value of securities based on the nominal market price at March 31 last. The total assets are valued at £826,033, of which the concession stands at £233,685. The value of the land, buildings, &c., is

£369,422; the investments stand at £152,336, and consist of Agricultural Bank of Egypt 1st Preference Shares, 34½; Egyptian Privileged Debt, and 4½; Egyptian United Debt. We summarise here with the liabilities and assets:—

LIABILITIES.		ASSETS.	
£		£	
Share capital ...	600,000	Land, buildings, &c. ...	369,422
Sundry creditors ...	48,936	Concessions ...	233,686
Reserve ...	105,097	Investments ...	152,336
Depreciation of securities ...	15,000	Sundry debts ...	8,919
Profit and loss ...	57,000	Stock of materials, &c. ...	16,285
		Cash ...	45,586
	826,033		826,033

It will be seen that the Company is in a flourishing condition, and under normal conditions there is every reason to look forward to a steady growth in profits. By reason of the arrangement whereby the municipality receives one-half the profit after 10 per cent. is paid to the shareholders, there is naturally every inducement for cordial co-operation between the two, to the benefit of both. The present price of the £5 share is 11, and on the basis of the 11¼ per cent. distribution for last year the yield afforded is about 5½ per cent., which is a substantial return for a well-secured public utility investment.

Amount	Description	Par	Price	Div.	Approx. Yield
£		£	£	%	%
600,000	Shares	5	11	11¼	5 16 0

## THE KYNOCH MEETING.

MR. ARTHUR CHAMBERLAIN at the annual meeting of Kynoch, Limited, on June 29, devoted considerable attention to the question of the increase of output of munitions of war, and its association with remuneration of labour and remuneration of capital. Mr. Chamberlain is of opinion that instead of increasing output, a system of selected limitation or control of profits would reduce it. Mr. Chamberlain went on to make an instructive comparison between private and State effort, stating that those who think that labour will produce more and better work when working for the State than when working for a private employer, are mistaken, and that labour will work best for those who understand it best and treat it best, "and in general terms I have no hesitation in stating that private employment produces, and will produce, more output than State employment." Mr. Chamberlain gave an instance bearing out his contention, pointing out that Woolwich Arsenal has always received larger annual orders for .303 inch cartridges than Kynoch's. The Woolwich plant is more modern, and being a State one is kept in first-class order. For years no Government orders were received by Kynoch's, and it has not been able to modernise its plant—in fact, it was only possible to keep in repair the small portion actually being used. Mr. Chamberlain went on to say, "What has happened? Have Woolwich, with the advantage of labour working for the State, made either the biggest percentage increase or the greatest quantity of rifle ammunition? No. From the commencement of the War until now Kynoch's have produced a larger weekly quantity of rifle ammunition than any other factory in this country, and I am confident we shall continue to do so. Of course, we are a notable "push and go" firm, but not so much so as to make this case the exception that proves the rule. I am perfectly certain that, given equal opportunities, private enterprise will always induce labour to give better results than the State machine.

**LONDON AND SOUTH WESTERN BANK.**—Interim dividend at rate of 17 per cent. per annum, less tax. The dividend is at the same rate as that paid for the whole of the year 1914. The Bank's investments have been written down to, or below, their lowest ascertainable value, and all other usual and necessary provisions made. The total of current and deposit account balances now exceed £24,000,000.

**SECOND INDUSTRIAL TRUST.**—Dividend at rate of 4 per cent. on Ordinary, less tax.

## Scottish Provident Institution.

(ESTABLISHED 1837)

Funds amount to £16,000,000.

## ANNUITIES.

Revised and favourable Rates  
may be had on Application.

HEAD OFFICE:

6 St Andrew Square, EDINBURGH

LONDON:

3 Lombard St., E.C.

WEST END:

17 Pall Mall, S.W.

## THE CONSOLIDATED

Assurance Company, Limited.

ESTABLISHED 1903.

Subscribed Capital .. .. £500,000  
Paid-up Capital .. .. £75,875

## FOR REINSURANCE BUSINESS

BY TREATY OR OTHERWISE.

## FIRE—LIFE—ACCIDENT, &c.

Fire and General Departments.

Registered Office and Life Dept.

10 St. Swithin's Lane, London, E.C.

9 Fleet Street, London, E.C.

Manager: J. HERBERT E. LANE.

Actuary and Secretary:

CHAS. WINDETT.

## Commercial.

## BRITISH SUGAR FOR HOME CONSUMPTION.

NEEDLESS to state, the War has entirely revolutionised sugar production and completely upset the equilibrium between supply and demand, especially for ourselves. While the Continent as a whole raised a very marked excess of sugar beyond what was required for use in the producing countries, of the importing European countries the United Kingdom was the chief buyer. In a normal year we use about two million tons. The United Kingdom comes next after the United States, where consumption of sugar has advanced from 18 lb. per head per annum 50 years ago to quite 85 lb. to-day. Now it is a great fact that more than half the world's consumptive needs of sugar are produced by the countries where war is raging and by their dependencies. For the present season, had all gone well, we believe that Europe would have raised about 7,393,550 tons, against 8,210,595 tons for the season 1913-14. The cane-growing countries would have raised about 9,700,000 tons, and with the contribution of the United States we should have had a grand total of 17,672,000 tons, against 18,639,000 tons for the previous season. But to-day Germany, Austria-Hungary, Belgium, and the principal beet belts of France (as to France nearly all situated in the north-east and east) are just so many blanks so far as supplies for the importing countries are concerned. France is sending us no sugar even from the regions untroubled by invasion. And a million tons from the two States of Central Europe are, of course, absolutely unavailable.

In Germany it is admitted that 250,000 tons of sugar-beet have been fed to cattle, and probably the total is much more. The area sown to sugar-beet this May was semi-officially reported at 25 per cent. less than in May 1914, the area saved from beet being planted with potatoes. Similar alterations are almost certainly in progress in Austria-Hungary, and the case of Belgium is reduced to one of the land lacking culti-

vators. Galicia and Western Poland are agriculturally in the plight of Belgium.

It therefore becomes clear that our own position has increased in gravity, and that on the face of things a further advance in sugar has to be apprehended. This is the more serious as the War rise in sugar already established by the Government is admittedly great. Choice Trinidad cane-sugar has risen from 14s. 6d. per cwt. last July to 27s. 3d. to-day. Tate's cubes, which just before the War were at 18s. 3d., and to large buyers fractionally less, now fetch 31s. per cwt. Fortunately, the very large purchases by the Government Sugar Commission before currencies had become fully inflated, did a vast amount of good, but now most of such purchased sugar has gone into consumption.

Both our imports and our stocks have commenced to run low. This was, of course, inevitable. As to France, the consumptive requirements in that direction are assumed, on sufficient evidence, at 710,000 tons. But the present production, owing to the German invasion affecting the sugar-beet departments where the chief factories and refineries are situated, is not put by the French authorities at more than a probability of 300,000 tons in October. To this the French Government adds 60,000 tons of cane-sugar, presumably from the Colonial Empire of France. Clearly, France from October 1915 to September 1916 must be a large buyer in the general market, and as such and however reluctantly, a competitor with us, her Ally.

It is time, therefore, to consider how far within the limits of the British Dominions we have areas adequate to supply the United Kingdom with sugar irrespective of the Continental beet-sugar so long and so unwisely favoured by tariffs, to the depression of the sugar-growing lands beneath the flag. At present Australia has actually fallen below the standard of self-support, and while Queensland slowly increases a production, largely paralysed by the prohibition of the right sort of labour, the prosperity of the other parts of the Commonwealth causes the consumption of sugar per head of population to rise yearly.

India is in a bad position this year owing to a 9 per cent. fall in the area devoted to sugar. Off this reduced area a yield of 2,367,000 tons is the expectation. British Guiana has immense potentialities for expansion, but these are as yet in embryo, though happily there are signs of capital turning an increased attention to this old-established colony, with its cheap and open direct seaway to our ports. South Africa is in the position of absorbing not a little of Australia's best refined sugar, thereby forcing Australia to buy less valuable sugar from Java and other regions of the Asiatic south-east. These regions are undoubtedly developing their sugar production.

As regards the United Kingdom, the Earl of Denbigh has recently called public attention to there being sufficient—nay, overwhelming—evidence that the climate, even of our comparatively cloudier counties, such as Cheshire and Shropshire, allows of a sugar content equal to that of France and Central Europe, and superior to that of sub-tropical Spain. Beet, in fact, does not want overmuch sun. All that is now needed for a vast expansion of sugar-beet growing in the United Kingdom is the erection of factories and refineries for the working up of the "raw material."

Sugar-beet growing in Europe it may to-day be not inopportunistically remembered was the product of an European war. British fleets prevented Napoleon's subjects and allies getting cane-sugar, and the French and German chemists turned to the sweet beet. The French after the war let their growers down, but Central Europe was wiser, and above all the Austrians showed a fostering care for the culture which has done much for agricultural and commercial prosperity in both Austria and Hungary. In fostering sugar cultivation in the United Kingdom we could not do better than follow Austria's original lead, which was not

controversial between "far" and "near" trade, but directly aidful in the matter of supplying intending growers with the best seed. Since Mendelism has taught us how to develop if not to fix the tendency towards a high sugar content, the value of seed possessing that tendency is enormously enhanced. Canada now provides early maturing seed wheat at the price of ordinary market samples, and farmers greatly benefit. If too proud to copy an alien enemy, the Canadian precedent may easily be converted from terms of wheat into those of beet.

Russia's two million-ton crop of sugar-beet bulks largely in the world's statistics, but it is raised on so vast an inland area that it is not available at all readily even in times of peace, and the new crop to be lifted in October could hardly be refined and made ready for the market within 1915 even if the Dardanelles were open. The scarcity of labour will certainly be felt severely now that the great Russian Empire is at last getting extended in its warlike operations. We must also be prepared for a greatly increased use of sugar per head of population in Russia as the War has made food and sugar very cheap, and one hears of a wave of sugar-taking in tea passing over the country, probably not to ebb. The Russians used not to take sugar in their tea, but that was in the old vodka-drinking days.

As the matter stands there can scarcely be a doubt that the less we depend on the Continent for sugar the better. Peace or no peace, this is so. At the same time to hold the balance between cane and beet sugar production within the Empire will require a sure hand. To increase the culture of cane-sugar in India will call for the intelligence of a benevolent autocracy, to do so in British Guiana will need the attraction of a free capital, while in Australia the task is so purely political that it is scarcely discussible in a non-party review. With respect to beet-sugar the Home Government has at least the advantage in its potential control of the factories and refineries. Were it to erect these it could in April invite tenders from the neighbouring farmers to grow sugar-beet at a fixed, remunerative—not excessively remunerative—price. The quantity taken could be strictly adjusted to the estimated cane-sugar production of the Empire overseas. The problem must in any case be faced by the Executive before October next, the date of the new sugar-beet crop being lifted and secured. The Executive has suspended ordinary commercial courses in this trade. We have approved its prescience in the past, but we own to a wish for some signs of a corresponding prescience for the next season.

## WOOL.

### THE VALUE OF THE ENGLISH CLIP.

It is not generally realised that for its size England is the finest wool-producing country in the world. The number of sheep in the British Isles has been gradually declining for a few years, but it is still around 29,000,000. The total weight of wool produced varies somewhere between 122,000,000 and 123,000,000 lb.

We thought it of sufficient interest to go into the value of the wool grown in England each year now that the price basis for this season has fairly been fixed. Buyers have now formed some fairly definite ideas as to what wool values will be during the next few weeks in the country. The wool is good, fully equal to that grown during recent years, this, no doubt, being due in large measure to an abundance of feed, following on last winter's rain, and the good dry weather which has come when sheep wanted it—i.e., from spring onwards.

Because the English clip weighs about 122,000,000 lb. we cannot multiply it by a certain price per pound and say that is the value of the clip, for the simple fact that the average price per

In the 1910 clip of the Lincoln clip, it is estimated that 122,000,000 lb. there are more styles of wool than any other country, and the question of the various styles of wool and their values needs to be gone into before even a rough estimate of the value of the clip can be secured. Of one kind and another there are about 21,000,000 lb. of Down wool grown in England, and present Bradford rates vary from 19½d. to 21½d. per pound. Whether there are 2 lb. of wool at 19½d. in proportion to every 1 lb. at 21½d. we cannot say, and the exact proportions of each style of wool grown in the country are not known by any man. Of half-bred wools there will be probably about 5,000,000 lb. grown, while of the Lincoln style there are about 12,000,000 lb. Leicesters and similar quality wools amount to about 9,000,000 lb. In Ireland we estimate that about 21,000,000 or 22,000,000 lb. are grown every year, most of it to-day varying in value between 19½d. and 21½d. In all of the above prices it must be understood that the value is given delivered in the chief consuming centre—Bradford.

Turning first to Down wools, we estimate that the Down clip itself is worth above £1,800,000. It must be understood that this is only an estimate, but it is as near the mark as can be reasonably expected. In past years much of our Down and fine half-bred wool has not been bought for Bradford topmaking purposes. The prices paid have not been calculated on the Bradford level, a great deal of the wool having been taken for the American trade. Big weights of fleeces and matchings of these qualities have been shipped to America every year, and, in view of the fact that American competition cannot be looked for, and also that English dealers who buy the wool cannot hope to turn it over to America this year, it would not be expected that values should jump so much as was at one time thought probable. The wools are excellently suited for hosiery and khaki purposes, and there is and will be a run on them by merchants and topmakers who are catering for this trade. The grower will certainly not suffer, and country auctioneers can rely on an excellent demand for all they have to offer.

Taking Irish wools next, we must say that prospects point to a brisk demand for these. Dealers who specialise in these wools all seem to be anxious to secure stocks, either because they have in some cases big contracts on hand, or because they foresee a splendid opening for these wools later on. Our own Lincoln, Leicester, Ripon, and Nottingham wools are also sure of a good competition in view of being used for similar purposes; but as things are at present the outlook for mountain sorts bulking around 32's quality indicates that they will probably not be so keenly sought after. The demand for them in Bradford and for tops made from them is distinctly slow, but it does not mean that any reduction in price can be secured. There is a feeling that Army demands from Great Britain, France, Italy, Serbia, and probably Russia, will absorb all the wool that the English trade can lay hands on, and once again coarse qualities will enjoy a "run."

At to-day's prices, then, we estimate the value of the English clip at just over £8,000,000. Up to the present, Lincoln hog wool, to take an example, has sold at about 43s. per tod, but this is not nearly a record, it having been disposed of at as much as 60s. per tod in 1872. Bradford dealers do not want any approach to that price—at least, not just now, at the beginning of a season; but, happily, it is not probable. It has been said that about £3,000,000 more money will be received by the English firms this year for their wool than was the case last year. That wool is an article of prime necessity in European countries is to some extent proved by the fact that

values have risen enormously, in common with other necessities of clothing and food. The War has been in progress quite 10 months before the English farmer is beginning to feel the benefit of the increased wool values; but the higher prices he will receive this summer must not be taken to be all profit, seeing that owing to the shortage of labour his lambing has cost him dear in many cases, and the higher price of foodstuffs has likewise made the production of the wool a more expensive matter.

We give below a very useful table, showing how leading descriptions of English wools have advanced compared with last clip time. The reader will see what effect the War has had upon the most-favoured descriptions of home-grown fleece wools:—

		June	d.
wethers	...	12	18
		13	18
		15	21
		13½	21
		13	21
		14	21
		13	21
		13½	21
		13	20
		11	17
		11	17
		1	12
		22	6
wethers		15½	21
		15½	21
		15	21
		12	17
		12½	17
Hardwick ewes and wethers		8	14
		8	14

## SPELTER AND LEAD.

As the war has been the first speulter that spring up as to the bona-fides of the full upward movement in prices of metals have grown more and more clearly defined, until now there is a strongly marked belief that clever and determined manipulation has been and is at work. In the early days of the War the possibilities of spelter in the direction of higher prices became pretty plainly apparent; indeed the conclusion was not to be resisted that there must be a very big advance, because the main sources of supply upon which Great Britain relied—Germany and Belgium—were cut off by the War. The position of the leading countries as regards spelter is shown in the following table, the figures being given in thousands of tons:—

	1911	1912	1913	1914
	(in thousands of tons)			
GERMANY				
Production	271	281		
Export	18	55		
Import	7	100		
Consumption	219	226		
NET BELGIAN				
Production	67	57		
Export	117	140		
Import	8	12		
Consumption	175	18		
HANNOVER				
Production	64	64		
Export	1	35		
Import	14	21		
Consumption	8	82		
AUSTRIAN				
Production	17	22		
Export	54	37		
Import	1	10		
Consumption	44	47		
NET GERMANY				
Production	200	198		
Export	17	20		
Import	1	140		
Consumption	74	17		
UNITED STATES				
Production	287	147		
Export	11	1		
Import	13	21		
Consumption	280	147		

The United States is the largest individual producer, and works practically entirely upon native ores, importing very little furnace material, and it was natural that the demand for spelter which was diverted to her refineries when those of Germany and Belgium were no longer available should give an enormous stimulus to the output of the American zinc ore mines

and to the operations at the refineries. That this has actually been the case is beyond all question, and the United States is to-day producing 40,000 tons to 45,000 tons of spelter a month. In recent years the United States has consumed about 300,000 tons to 330,000 tons of spelter a year, and of this probably 60 per cent. has gone into the galvanising trades, which are now practically stopped. It appears that the stoppage of important United States consumers was actually designed by Germany, as being likely to lead the Government of the American Republic to prohibit exports of spelter and brass, and thus tend to bring about the discomfiture of the Entente Powers. The market, therefore, was boosted up by German-American firms, and by speculation backed by German capital, and the result is seen to-day. It is probable, too, that the entire buying arrangements of the British Government have contributed to assist the German campaign, for they have not been characterised by the wisdom which comes of knowledge—far from it, and the trouble is still that the authorities go out of their way to reject the advice of the people from whom they ostensibly seek it.

Finding the job so easy, the same coterie of German-Americans appear now to have turned their attention to lead, and have not only seized the American market by the neck, but, it is feared, have invaded London, where we have seen huge buying, reported to be on American account, which has forced prices upwards. Fortunately we are less dependent upon America for lead than we are for spelter, though the United States has also sent us large quantities this year. If Mr. Lloyd George is in earnest in his threats to control the Metal markets if necessary, he might do worse than turn his attention to the London Lead market. A knowledge of the principals at the back of some of the recent powerful buying and price manipulation might give him some useful "tips." The price movement has been on a scale never previously witnessed, forward deliveries being driven up to £30, and collapsing to about £24, while since then day by day buying of the most persistent kind has steadily forced a renewed advance to about £27. The last day or two, however, have seen an abatement of the vigour of buying. Indeed, the prime movers have been trying to sell, and without much success, for there are no buyers, and the price has dropped to £25. When this sort of manipulation is at work in such times as these it would be very useful if a little light could be shed upon those at the back of the buying. If they are Britons out to put up the market against the Government, we may as well know their names; if the operations are prompted by Germany *via* America the information would also be most interesting and useful.

### LANCASHIRE COTTON INDUSTRY.

It is usual at this time of the year for a considerable amount of interest to be taken in raw cotton prospects, but other matters relating to the War overshadow the advices from the United States and Egypt. A feature of interest is the big stock of raw cotton in Liverpool. At the end of last week supplies of American qualities amounted to 1,490,250 bales, against 741,890 bales same time last year. The figures for Egyptian cotton were 105,140 bales, against 62,180 bales in 1914. The stocks of all kinds of raw cotton amounted to 1,761,440 bales, as compared with 964,350 bales twelve months ago. The average weekly deliveries to spinners in Great Britain this season amount to 73,540 bales, against 85,270 bales last year, the figures for American being 60,420 bales, against 64,700 bales last season.

The cotton industry of Lancashire is passing through a slack period. Fresh business in both yarn and cloth continues scarce, and it is difficult for producers to maintain their position. The shortage of labour is having some effect upon production, and in this way

excessive stocks are being kept down. Spinners of yarn, except in the Egyptian section, are doing rather better than manufacturers of cloth.

During the past fortnight there have been no signs of a revival of demand in piece goods, and buyers have simply purchased from hand to mouth. According to telegrams from India, the monsoon rains are making favourable progress, and if the grain crops do well, we may expect freer operations in cloth before very long. In the meantime demand from Calcutta, Bombay, and Madras is disappointing, and most of the offers cannot be entertained. The business offering for China tends to broaden, and rather more buying has occurred during the last few days. It is thought, however, that dealers in Shanghai are disposed to carry smaller stocks than normally. Supplies of goods are said to be very low in certain near Eastern outlets, but there is difficulty in arranging shipments. Manufacturers of light fabrics are badly in need of fresh orders, and it is said that more looms are stopping in Blackburn and district. The home trade seems to be a little quieter, but the season in fancy goods has been fairly healthy. Some contracts have been arranged this week in heavy materials for the French Government. Producers of cloth, apart from those engaged on goods to meet the requirements of the War, are badly situated, and are finding trade unremunerative.

During the last week or two there has been less activity in home American yarns, and spinners have had to derive their strength from the contracts on the books. The production in coarse counts is being well absorbed, and recently there has been some improvement in the position of medium numbers. The tendency continues for more machinery to stand idle owing to the shortage of hands. Amongst shippers of yarn to the Continent there is some uneasiness owing to the Board of Trade restrictions, and for the time being fresh business is being checked. The undercurrent of demand in bundles for India continues generally healthy. Owing to the holidays in Bolton this week Egyptian spinners have obtained some relief, but demand remains poor.

### NATIONAL BANK OF SOUTH AFRICA.

FROM a cursory glance it would probably be gathered that the National Bank of South Africa, Limited, had experienced a serious recession in business during 1914, inasmuch as the gross profits have fallen from £843,657 to £622,640, while after providing for expenses the net profits work out at £156,373 as compared with £411,172. Such a view, however, would be wrong, and an explanation is afforded in the speech of the Hon. Hugh Crawford at the annual meeting which was held in Pretoria on May 28 last. So far from business falling off the gross profits were quite as good as in the preceding year. It will be recalled, however, that just before the outbreak of war the Bank stood committed to the purchase of the business of the Natal Bank. The investigation of the business while it was a going concern and prior to terms being arranged was necessarily of a private and limited nature. "After taking over, a complete revaluation of the assets acquired was made, and it was found a much larger sum than was at first estimated would require to be provided. With the exception of an amount of £175,000 which has been taken from reserve fund, reducing it to £525,000, this provision has been made out of profits, which as a consequence are materially lower than under normal conditions would have been the case." Though the new business has proved more costly than expected, the Chairman states that it is a very fine one indeed, and will prove to be a valuable addition to the Bank's field of operation.

THE SUN LIFE ASSURANCE COMPANY OF CANADA have increased their preliminary subscription to the new War Loan to £200,000. It is the Company's intention to apply for not less than a quarter of a million.

# KYNOCH, LIMITED.

## TRADE SECRETS AT DISPOSAL OF THE GOVERNMENT—REPLY TO CRITICS.

PRESIDING on July 29 at the annual meeting at Birmingham, Mr. Arthur Chamberlain said it was proposed to distribute rather a large amount in dividends, but, seeing that the Ordinary shareholders were short of something like 63½ per cent. since 1906, as compared with the distributions they received over the previous 14 years, some special consideration was due to them. Information as to what the firm had done to help the Government must be withheld until after the War, but in general terms they had not only increased in their natural and proper business to a greater extent, perhaps, than any competitor, but had undertaken other things when they considered their knowledge and organisation were likely to produce what was required.

### TRADE SECRETS PLACED AT THE DISPOSAL OF THE GOVERNMENT.

In addition to these activities they had, without any charge to the State, placed at the disposal of the Government all their knowledge of certain manufactures and processes of manufacture that were in the nature of trade secrets, and had assisted the Government in turning this knowledge to productive use. This had been done at the expense of obtaining the best results in their own business, but helping the Government before any other consideration was a policy the directors would continue to follow. The question of the output of munitions overshadowed all others, and as to this wrong statements had been made by ignorant people. The War Office had been made a target for much unfavourable criticism; not so much from business men, but by people who had had no training and possessed no knowledge of what they criticised.

### WAR OFFICE TASK.

The task before the War Office was a gigantic one. They had to increase the Army to something like four times, and ordnance, the part of supplies most difficult to obtain, something like 16 times, for it was found that every nation's estimate of the consumption of munitions was hopelessly inadequate. We had neither Army nor factories to produce these supplies, and we had evolved both; but it took six or nine months to build factories and get them going properly, and the enormous increase of supplies which had been organised with the utmost ability and energy by the department under the control of the Master-General of Ordnance was only just about to commence to pour forth. If, as was to be gathered from some of the newspapers, the authorities had only just realised the necessity of what was loosely described as shells, we should not be able to commence fighting for another nine or ten months. Fortunately, this was not the case. The War Office had achieved great results. As he understood the position, the Government had made arrangements for enough and more than enough munitions, and they were now trying to see how far they could increase that more than enough. In doing this they were absolutely right, and the country must back them up.

### EVERY WORKER'S DUTY.

Trade union rules should be relaxed, every worker should turn out the utmost he could regardless of fear of thereby showing how much his piece rate could be cut down. No worker engaged on munitions should be allowed to leave one factory for another without Government consent. Where skilled workers were required for munitions they should be supplied from the Army or from the ranks of those not employed on munitions, and, lastly, the supply of drink should be curtailed. Drink had the most serious effect on output. However, Parliament seemed afraid to take any drastic action, so it was useless to expect any increase from a change of this state of affairs.

### BOARD'S GENEROSITY.

Labour, like capital, should be properly remunerated in order to get the best out of it, and, of course, we wanted the best now. The report showed that the directors had dealt very generously with this question. As a matter of fact, they had dealt with it much more generously than the report would convey to anyone who did not know the facts as to the limitation of profits. He did not propose to deal with those aspects of the case which embraced the problems as to whether armament manufacture ought to be heavily taxed at all times, or as to the equity of now making exceptions in certain cases where past adversity or future expectations provided reasonable grounds for excluding certain companies from special taxation. There were side issues which confused the important point.

### QUESTION OF MEN AND OUTPUT.

The question before the nation now is, How we could increase the output of munitions. Would any system of limitation of profits help us to produce more munitions of war? That it would increase the output was the only ground on which any responsible people had discussed the suggestion, and that it was the only ground in the minds of these responsible people was clearly shown by a careful study of the Munitions Bill. His own opinion was that, instead of increasing output, a system of selected limitation such as was foreshadowed would actually reduce it. The reason put forward for limitation was that we could not expect labour to do its best if it thought that its extra efforts would increase the profit of the capitalists. If this point of view was correct, it would be the paramount duty of the Government to limit the profits, not only of the leading armament firms, but of every firm employing labour that contributed directly or indirectly to the nation's efficiency for war.

### STATE AND PRIVATE EMPLOYER.

Whether they were on the War Office or Admiralty lists or not, those who thought labour would produce more and better work when working for the State than when working for a private employer were mistaken. Labour would work best for those who understood it best and those who treated it best. In general terms, he had no hesitation in stating that private employment produced and would produce more output than State employment. Woolwich Arsenal, with the advantage of labour working for the State, had not made, as compared with Kynoch, Limited, the biggest percentage increase in output or the largest quantity of rifle ammunition per week from the commencement of the War until now. Kynoch's had produced a larger weekly quantity of rifle ammunition than any other factory in the country, and was confident it would continue to do so. Given equal opportunities, private enterprise would always induce labour to give better results than the State machine. Neither labour nor management worked as well for the State as for the private employer. Concerns like their own, which were being asked to perform almost the impossible, could not achieve it without the staff tackled their work with continuous zest and interest. To limit the profits of those firms who, by reason of their energy and their resources, were doing all they could to help the country, and leave untaxed the profits of other more obscure and probably less deserving firms and individuals, would appear to the staffs to be an affront to their efforts and a slur on the honour of their companies—a slur all the more odious as, in their opinion, it would be made under the wholly erroneous idea that output could thereby be increased. He urged the Government to go slowly and make sure by a partial experiment which view was correct. At the same time, that would be perfectly fair if Parliament saw fit to take a portion of any increase of income due to the War, provided it was taken from all alike.

# MEETINGS OF PUBLIC COMPANIES.

## THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

*Reported in the Press.*

The ordinary general meeting of shareholders of the Company was held in the Board Room of the Bank, Pretoria, Transvaal, on Friday, May 28, 1915, at 12 o'clock noon, the Hon. Hugh Crawford presiding.

The Secretary read the notice convening the meeting and the auditors' report.

The Chairman then said: Gentlemen.—It is pleasing to say that the balance sheet for our financial year ended March 31, 1915, shows satisfactory progress in the history of the Bank, and this statement is of particular interest to us because it is the first to embrace the business recently taken over from the Natal Bank. In accordance with our usual custom, I shall shortly review the salient figures.

### The Balance Sheet.

Turning first to the liabilities side, you will observe that the capital now stands at £2,782,420, the increase having occurred in connection with the fusion with the Bank I have mentioned. At the special meeting held on September 30 last you authorised an increase of our capital, at the discretion of the directors, to £3,000,000, the additional amount to be issued as your board thought fit, and out of it 50,000 shares to go to Natal Bank shareholders in consideration of our purchase of their business. Because, no doubt, of the War into which we were plunged about this time a few shareholders of that Bank availed of their option to take cash at £11 10s. per share, instead of shares, and, consequently, 6,758 of the 50,000 shares have not yet been allotted. To the reserve fund I shall make reference a little later, but, at this stage, it may be remarked that our depositors have now as security the large sum of £3,307,420, being the Bank's capital and reserve. Notes in circulation are £1,163,741, as against £793,130 the preceding year. In my address last year it was deplored that, in this country, the use of a lower value than the £5 denomination was not more favoured. Since then the Bank has re-introduced the issue of £1 notes, which issue, it is hoped, will receive, for economic reasons, the cordial support of the public, whose appreciation and encouragement of the circulation of this paper would lessen the heavy and wasteful expenditure incurred in constantly moving specie from part to part of this vast country. Deposits and current accounts stand at £20,223,422, which makes an increase of nearly £4,000,000 achieved during the period under review. On both sides of the balance sheet an item of £400,000 will be observed, representing assets which, by agreement, have to be handed over to the liquidators of the Natal Bank. At the special meeting last September it was explained that the scheme placed before you provided for the return to the liquidators of the equivalent of this sum, which represented the reserve fund of the Natal Bank, plus estimated profits accrued to the date of purchase. The selection of the assets to make up the amount of £400,000 was left entirely to our discretion, and, naturally, we shall exercise discrimination in the choice of items to form this total in such a way that it will consist of assets which appear to us to be the least desirable to retain.

### Large Cash Assets.

On the assets side of the balance sheet the cash assets amount to the large sum of £7,391,029. Our investments, which are all first-class Stock Exchange securities, mainly British and Colonial Government, now stand at £1,378,527 and have been written down to the quotations of July 27, 1914, that being the last Stock Exchange settlement day prior to the commencement of hostilities. The cost of this adjustment has been £34,000, and the amount has been provided out of profits earned during the year. Bills of exchange figure at £2,293,874, as compared with £3,159,000 the year before, the reduction being due to a falling-off in trade owing to the War. Liquid assets, comprising cash, money at call in London, investments and bills of exchange, stand at £11,063,430, and represent over 50 per cent. of the Bank's liabilities. Unfortunately, the large sum of money we have in London with banks and other institutions at short notice has been earning interest only at a very nominal rate, and this has adversely affected profits. Bank premises account shows a balance of £836,719, as against £692,948 in 1914. An allocation from profits has been made to this account, but with our ever-increasing number of branches we are continually faced with the necessity of acquiring premises, and the increasing balance is simply incidental to the growth of the Bank's business. Bills discounted, loans, &c., show at £13,406,666, as contrasted with £11,279,216 the preceding year. There has of late been a slackening in the demand for money in South Africa, and this again is mainly attributable to the War and the resultant halt in development.

### Profit and Loss Account.

The profit and loss account for the twelve months ended March 31 last shows a net result of £156,373, as compared with £411,171 for the preceding year. At first glance this, it must be confessed, appears disappointing, but, as a matter of fact, the gross profits were quite as good as in the preceding year. The War intervened at a singularly inopportune time for us, because, at its sudden outbreak, we stood just committed to the purchase of the Natal Bank. The investigation of its affairs while it was a going concern, and prior to terms being arranged, was necessarily of a private and limited nature. After taking over, a complete re-valuation of the assets acquired was made, and it was found that a much larger sum than was at first estimated would require to be provided. With the exception of an amount of £175,000 which has been taken from reserve fund, reducing it to £525,000, this provision has been made out of profits, which, as a consequence, are materially lower than under normal conditions would have been the case. The business acquired, with its connections all over the Province of Natal and in other parts of the Union, though more costly to us than we expected, is a very fine one indeed, and will prove to be a valuable addition to our field of operations. As no further extension of banking amalgamations is in prospect, shareholders should very soon participate more fully in the benefits of the large business which we have built up.

### Final Dividend Distribution.

Out of the balance of profit and loss account brought forward, your board recommends payment of a final dividend of 6 per cent. per annum, which payment, with the interim dividend paid for the six months ended September 30, 1914, will absorb £153,972, leaving a balance of £30,585 to be carried forward to the next account.

### Bonus to Staff.

The year has been one imposing exceptional strain upon our staff, as will be understood when I mention that many officials have been released to take up military duties and, in this way, there were at one time no fewer than 320 members absent. Increased work has, accordingly, fallen upon those remaining behind, because it has been found impossible to secure the services of trained officers to take the place of those on active service. Although, therefore, we are passing through a period of great trial and uncertainty, I do not hesitate to recommend payment of a bonus to the staff, whose services shareholders will, I feel sure, be pleased to recognise in this way. While on the subject of the part borne by our employees in the War, it may not be inappropriate to mention that an amount of £5,250 was contributed by the Bank to the Governor-General's Fund.

### Outlook for South Africa after the War.

In course of my remarks upon this occasion last year, I reminded you that the period then under review had been fraught with great difficulty to bankers in South Africa, and with its serious labour unrest and prolonged drought, 1913 gave good cause for this comment. We, however, little thought that, before our succeeding financial year was well on its way, we should be plunged into the most appalling war the world has known. It is not for me here to dwell on the fearful carnage and the misery caused by these hostilities, but the economic results it is our painful duty to try to foresee. Most of you know what monetary outlay this gigantic struggle entails daily, and it will be recognised that the greater part of all expenditure upon war represents capital lost to the world. In consequence, after peace has been arranged, the world will resemble a firm re-starting business after having lost a considerable portion of its capital. To begin with, perhaps an artificial activity will be imparted to trade because of the necessity for repairing the ravages of war, but I fear that when this process has been completed a period of general depression must ensue, and will continue for a few years, until capital has been somewhat replenished. I do not say that this economic stagnation will extend alike to all quarters of the globe, because, in certain countries, the effects of the upheaval must necessarily be less manifest and far reaching than in others. Looking at the matter from our Bank's point of view, I am inclined to the opinion that, comparatively, we shall not see any great depression in South Africa. In the first place we are happy in the knowledge that our gold mines are prospering, and although we cannot deny the truth of the dictum that these, as time goes on, are a wasting asset, it will yet be long ere the industry perceptibly wanes, while there is the prospect that new fields will be opened up. Meanwhile we know that other industries are being established and developed, and it cannot be long before South Africa will become a material factor in the production of foodstuffs for consumption overseas. The future, nevertheless, is always

difficult to foresee, and with war the need of a scale such as the world has never before experienced. It is even harder than usual to be present. Should, unhappily, hostilities continue for any further long period it is conceivable there may be a plethora of money owing to the partial cessation of commercial enterprise, but, with the resumption of peace, it seems reasonable to apprehend a scarcity of capital, so that borrowers will then find themselves in the position of having to pay more for their requirements. Where countries, such as ours, in the developing stage and looking for capital from overseas, are concerned, the effect of scarce money will be that they will be compelled to offer greater inducements than hitherto if they are to have their financial needs supplied. These, gentlemen, are all factors to be considered, but, although our progress during the coming year may be somewhat retarded, I am convinced that, with its natural resources, South Africa is well entitled to face the future complacently, while, at the same time, it must be prepared for an interval—I hope brief—of depression. Many of our traders, it would appear, are experiencing a certain activity as the result of the large sums placed in circulation by expenditure in connection with the campaign in German South West Africa, and the conclusion of operations there may produce a reaction entailing temporary unemployment which, with increased taxation, will curtail the income and spending powers of no inconsiderable portion of the inhabitants.

#### The Agricultural Industry.

To refer, for a moment, to the agricultural industry, it is pleasing to observe that whereas last year severe drought had to be deplored—particularly in the Free State Province, where it caused great loss—we have been blessed this season with abundant rains. So general and timely were these, that, in the spring, everything looked particularly favourable to the farmer, but, unfortunately, the Rebellion now happily ended—supervened, necessitating the absence of a large number of the male population from their farms. If, however, the full advantage of the rains may not be reaped this year, it is consoling to reflect that, with dams and springs replenished, our agriculturists will not be slow to secure, next season, the benefits which may be said to be already almost assured to them. One unwelcome result of the rather abnormal rainfall has been the generation of stock disease, in some districts on a very serious scale. The production of wool makes sound progress, but exportation figures for 1914 disclose a large falling away owing to drought in the Free State, and, perhaps, also to restriction of shipping facilities—a problem that is being felt rather acutely at the present time. Last year I alluded to the severe slump in the demand for ostrich feathers, and during 1914 this branch of our agricultural industry was further and most seriously affected. Recent rains, it is pleasing to observe, reflect a certain recovery in prices, and at the restoration of peace the outlook should not be unfavourable, particularly as production has been considerably diminished as a result of market stagnation. At a time when there is so much to deplore, it is refreshing to learn that there is every prospect that maize production this season will constitute a record, official estimates computing that 3,000,000 bags will be available for export. The tobacco crop has, on the whole, been a poor one, this being partly attributed to too copious rains and to restricted cultivation owing to fear of over-production. Wattle-growing is an expanding industry, and although less bark was exported than in 1913, the figures of that year would certainly have been exceeded but for the intervention of war. Germany has, in the past, taken 75 per cent. of the output, the process of extracting tannin having been almost confined to that country, but it is encouraging to observe that a start has been made in Natal to equip factories capable of producing the extract in a form acceptable to British tanners. The outlook for the sugar crops is good, the cane having, to a very great extent, recovered from the effects of the exceptional drought experienced during 1914.

#### Gold Production.

As concerns our mineral resources, we find that the value of gold produced in the Transvaal during 1914 was £35,588,075, against £37,358,040 in 1913. The diminution is to be traced to the labour turmoil with which the year opened. The means of financing this great industry was one of the first problems which confronted us at the news of the conflagration in Europe, as lack of the usual shipping resources for conveyance of the precious metal to London was to be apprehended. It was, of course, apparent that the South African banks, however willing, could not indefinitely continue to purchase bullion without having an assured outlet for it. The Union Government, however, made suitable arrangements with the British Government and the Bank of England, and the solution of the difficulty may almost be said to have saved the credit of this country. For this, praise is due to our Government, as also for its action at the outbreak of war in convening a conference of bankers, leaders of the mining industry and principal merchants, when an excellent agreement was arrived at which enabled trade to proceed with

uninterrupted confidence. Diamond mining is at present under a cloud, and has suffered far more severely than any other of our leading industries, the closing down of the principal mines having been necessitated on account of the European situation. The output of coal diminished considerably during the last five months of the year, the main cause being disturbance in shipping owing to the outbreak of war, as is instanced by the fact that, in Natal, export coal, as distinguished from bunker coal, showed a reduction of 280,000 tons. There was a marked decrease in the value of tin produced, but this is principally consequent upon the fall in the price of the metal. The output of copper has been largely increased and the price is advancing. During 1914 there was little activity in the South African Share market, which, at the commencement of hostilities, was closed, and was not re-opened until January 4 last. With its startling events the year was not one which lent itself to the accomplishment of much progressive legislation, the time of Parliament having been largely occupied with matters arising from the exceptional circumstances with which Government had to deal.

#### Taxation.

In course of my address last May, reference was made to the subject of taxation, and it may now be mentioned that, for the first time, the Bank, in common with all other corporations falling within the provisions of the Act, was last year required to pay income tax. The item, I need scarcely say, was a heavy one, and now increased taxation will make still greater calls upon us. Apart from the tax I have specially touched upon there are—and I think it is not generally known—many other imposts to which banks, alone of commercial undertakings, are subject. There is, for example, the note duty recently brought into effect, on which occasion it was promised the banks that certain relief would be granted to them in other directions, and it is trusted that next Session of Parliament will see this pledge formally ratified.

#### Progress of the Bank.

In concluding these remarks, I desire to emphasise—because in these days of crowding events we are indisposed to retrospection—that during the last five years we have absorbed three other old-established banks. The following comparisons illustrate the progress made:—

		Capital	Reserve	Deposits and Current Accounts	Advances
1909	...	1,100,000	50,000	8,550,000	2,824,000
1915	...	2,782,420	525,000	20,223,000	13,406,000

while gross profits have increased in a correspondingly satisfactory manner. The Bank is in an excellent and very healthy position, and although we cannot penetrate the future, which holds tremendous issues, I feel that our shareholders have reason to face the situation with equanimity. During the five years to which I have referred our progress has been constant, but a large proportion of our profits and resources have been devoted to expansion, and to the acquisition of new fields for our activities. We shall still, I am convinced, continue to grow, and the time is at hand when the fuller benefits of our largely extended operations will be experienced by shareholders.

Since we last met, Mr. J. Ellis Brown, Mr. Walter Greenacre, and the Hon. A. Oliff, who were directors of the Natal Bank, have, in pursuance of an arrangement arrived at upon the amalgamation, joined our board. On the other hand, I regret to say that Mr. E. R. Syfret, finding the many calls upon his time would not permit of his undertaking the long journey to attend our meetings, has resigned.

I now beg to move the adoption of the report, balance sheet, profit and loss statement, and the recommendation of your board.

Mr. Emrys Evans seconded the motion, which was unanimously agreed to.

The appointment of Mr. W. Greenacre, the Hon. A. Oliff, and Mr. J. Ellis Brown, as additional directors, was confirmed, and the retiring directors, Messrs. P. Duncan, C.M.G., M.L.A., C. H. Mullins, V.C., C.M.G., H. O'K. Webber, and H. A. Rogers were re-elected.

Mr. Robert Baikie and Mr. John Dougall were re-appointed auditors for the current year, their remuneration for the past audit being fixed at three hundred guineas.

The Chairman sympathetically referred to the great loss South Africa has sustained by the death of Sir George Farrar, Bt., D.S.O., and also made suitable reference to the death of two pensioners of the Bank, namely, Mr. Murdoch Anderson, late General Manager of the National Bank of the Orange River Colony, Limited, and Mr. J. S. Duncan, late Manager of the London Branch of the Natal Bank, Limited.

The meeting in silence passed votes of condolence with the widows and families of the deceased gentlemen.

Votes of thanks to the General Manager and staff of the Bank and to the Chairman and directors terminated the proceedings.

### JOHN BROWN AND COMPANY, LIMITED.

THE annual meeting of the shareholders of Messrs. John Brown and Company, Limited, was held at Sheffield on June 29, Lord Aberconway presiding.

The Chairman, in moving the adoption of the report and accounts, said: Practically all the profits shown on the balance sheet were on pre-war contracts; orders exclusively in connection with the War had not yet reached the profit stage. There had been a very foolish agitation got up against what were called war profits. People said such companies were making money at the expense of the nation. A certain small group of politicians who had attacked them in the House of Commons, and also in newspapers, held them up to public obloquy, and had even gone so far as to say that they were responsible for the state of things that had brought about the War. It was wholly untrue that British firms had encouraged war propaganda. It might be true, and he believed it was true, of Krupps, and of Germany. They, no doubt, had lived and worked for the War, but British firms had endeavoured to checkmate those designs, and hoped to go on doing so. They had developed their business in order to protect the British Empire.

#### Dividend Record.

So far from making profit out of that state of things he asked any impartial critic to look at the published dividends of the companies to which he was alluding since their origin. That of John Brown and Co., for instance, for the 50 years averaged only 8 per cent.—surely not an undue return for what was after all a precarious investment, for an armament business might come to an end at any time. Indeed, he did not think he was taking too gloomy a view of the future when he said that when the War was over it might be years before any of the armament firms got an order for battleships, guns, armour-plate, or any of the things which they now produced in large quantities. Other firms supplying general stores to the Government were undoubtedly making larger relative profits than armament firms, and would continue to do so after the War, but these escaped criticism. Critics who dealt with armament firms in this ungenerous fashion asked why the Government allowed private firms to make profits out of national requirements. If those critics were right, why had not the Government expropriated such concerns and run them themselves? He was perfectly confident that if they had done so it would have cost the country a great deal more than it was costing to-day. The Government were much too wise to do anything of the kind. The mere incentive of profit made for vigilance, skill, and enterprise; from rifle ordnance to aeroplanes, the development of all military and naval appliances during the last 50 years had been almost entirely brought about by the enterprise and patient investigation and skill developed and paid for by such firms as John Brown and Co.

#### Immense Order for New Merchant Ships.

It must not, however, be assumed that John Brown and Co. was exclusively an armament concern. The contrary was the case. In times of peace only one man out of every seven they employed was exclusively engaged on Government work, though, when the need arose, the whole resources of the firm could, of course, be applied to Government requirements. They had on their books at Clydebank Messrs. Harland and Wolf's and the other firms connected with them between 300,000 and 400,000 tons of shipping either laid down or to be laid down as soon as the opportunity offered. That meant they were constructing or about to construct a fleet of between 30 and 40 huge vessels of 10,000 tons each—far in excess, so far as tonnage was concerned, of anything they ever did for His Majesty's Government. Their collieries, producing two and a-half million tons of coal, hardly any of which went to the Government, was another evidence of the non-military character of the operations of the Company. Referring to the price of coal, he was sure the owners were not trying to force prices up. The coal contracts standing on the books of John Brown and Co. at March 31 were only 7d. per ton higher than the prices of a year ago, and yet all the costs and price of labour had risen.

#### The Balance Sheet.

The balance sheet, added the Chairman, was one of over seven millions of money. Sundry creditors had increased from £887,000 last year to £1,210,000 this year, and sundry debtors had increased in an even larger proportion from £724,000 to £1,269,000. A year ago the balance was creditors in excess of debtors £63,000. This year debtors were in excess of creditors by £58,000, and if they added up those items to show the general turnover of the business they would find there had been an increase of £800,000. That showed they were doing a very much larger business. On the assets side their profits showed a decrease, the reason being that last year they had appropriated £100,000, to capital account, and in spite of a very liberal depreciation they had spent over £600,000 on properties during the last five years. That was well spent money, and had increased their facilities for handling orders and to anticipate Government requirements. Although their

profit was not a war profit, it enabled them to pay a dividend of 12½ per cent., to add £75,000 to the reserve fund, and to appropriate another £100,000 to their capital outlay, and carry forward an increased amount to the accounts of next year.

The adoption of the report and balance sheet was seconded by Mr. C. E. Ellis, and agreed to, and the retiring directors, Lord Aberconway, Mr. C. E. Ellis, and Colonel Bernard Firth, were re-elected.

### DINNINGTON MAIN COAL COMPANY, LIMITED.

THE annual meeting of the Dinnington Main Coal Company, Limited, was held at Sheffield on June 28.

The Chairman (Mr. M. Deacon), after dealing with the balance sheet and report (in which it was recommended to pay 10 per cent. dividend for the year and to add £10,000 to the reserve fund), remarked that there were several reasons for the fact that the year ending March 31, 1915, was not so good as the previous year. First, there was a sharp fall in the price of coal in the spring of 1914, which seriously affected the selling price for the twelve months, because they had to make contracts in the spring to cover the ensuing twelve months, so that when prices were higher early in 1915 the Company was unable to get the benefit of the advance. Another cause was the decrease in output, which was entirely due to the large number of men who had joined the Forces, no less than 683 men, or 27 per cent. of the total number of men employed, having enlisted. Allowances had also been made to the wives and families of the men who had enlisted, which had been a source of considerable expenditure.

The following are some items which had to be dealt with during last year:—Five per cent. increase of wages, at cost of £12,000; increased cost of timber and colliery stores, £7,000; war relief, about £2,000; rates and taxes, £3,000 higher than the previous year, making £24,000.

The new Mines Regulation Act had cost about £6,000 extra; additional workmen's compensation, about £6,000; and National Insurance, £1,000 a year.

The increase of £24,000 was itself equal to no less than 8 per cent. dividend on the Ordinary shares of the Company, which explained clearly why it was impossible to pay the same dividend as last year.

#### A Most Serious Handicap.

Since the close of the financial year a war bonus of 15½ per cent. on the gross wages of every man working for the Company had been settled, and this was equivalent to 25½ per cent. on the 1888 basis, a most serious handicap in the cost of the current year. They were continuing to lose their men, the output having already diminished seriously, and this, together with the high cost of material, rendered the cost of working this year even greater than last.

Perhaps it would be said that they were going to get a great deal more money for coal, but there they were met with the proposal by the Board of Trade that they should limit the price which they could obtain in the ordinary course of business; but he hoped the Board of Trade would be brought to see that the increases in the working cost were real and serious, and that it would not be right or fair, or in the interests of the country, that prices should be restricted. It appeared to be lost sight of by the public, to a very large extent, that for years and years collieries continued working at extremely small profits, many at a loss; and then, when the time came when they were able to get higher value for their coal, they were begrudged the price which they were reasonably entitled to, owing to the state of supply in the market.

Sir Henry Norman, Bart., M.P., moved the payment of a dividend of 10 per cent.

The retiring directors, Mr. F. Fowler, Mr. C. E. Jeffcock, and Sir Henry Norman, Bart., M.P., were re-elected.

### MALTBY MAIN COLLIERY COMPANY, LIMITED.

THE effect on colliery finances of the shortage of labour, owing to the War, was shown in the return presented to the shareholders of the Maltby Main Colliery Company, Limited, at their meeting at Sheffield on June 28.

Mr. M. Deacon, Chairman, said they would no doubt expect to know why they had not made more profits. They were still unable to obtain the necessary number of men which the plant required for the cost to be reduced to a reasonable point. That difficulty had been accentuated by the War, no less than 350 men, or 22 per cent., having joined the Colours. There had also been an increase in wages, and an increase in the cost of timber and other colliery stores, which had seriously affected the working cost. A short time ago they were building houses as fast as they could, but now they had more houses there was a lack of men to occupy them, but he hoped before long that men would be attracted to the colliery from other districts. The percentage of absentees had risen from 14 per cent. to 20 per cent. The price of coal fell very materially in the spring of 1914, when contracts were being made for the ensuing year, so that

which means more crop in 1915 than in 1914, and to avoid themselves of the import of conditions.

The report was submitted by Lord Abercromby, and the retiring members, Mr. J. Fowler, Mr. W. H. McCulloch, and Mr. Henry Norman, Bart., M.P., were re-elected directors. The latter being warmly congratulated on the success of a Baboetou recently conferred upon him.

### EMPIRE OF INDIA AND CEYLON TEA COMPANY, LTD.

The nineteenth ordinary general meeting of the Empire of India and Ceylon Tea Company, Limited, was held on June 29 at 2A Eastcheap, E.C., Mr. J. T. Vennart (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The report shows that we have obtained very satisfactory results for the past year, the net profit being £84,704 4s. 1d., as against £70,785 0s. 1d. in 1913, an increase of £13,921 4s. The compulsory regulation of sales on the London market, due to difficulties in connection with freights at a critical period, was no doubt of great benefit to many, and perhaps more especially to this Company. A great and steady rise in prices set in from November, and the demand for Indian and all other teas has been far in excess of any previous period, and the average market price of Indian tea to day is 1s. 1d., as compared with an average for the seasons 1913-1914 and 1914-1915 of 9.25d. and 9.85d. per pound. This is the great feature of the present situation, and I think justifies our taking a very hopeful view of the Company's prospects for the current season.

#### The Accounts.

Turning to the balance sheet, advances at garden show an increase of £1,742 14s. 11d. Since the commencement of the War freight on tea has to be paid at port of shipment, and not as hitherto at port of discharge. Investments are higher by £5,022 8s. 10d., mainly due to the final call of 2s. 6d. per share on 25,000 British Malay rubber shares. Expenditure in advance is higher by £1,326 15s. 7d. The cost of tea boxes shipped earlier explains this increase. As to the stock of tea, the increase of £29,744 9s. 5d. over last year is accounted for by a larger crop, higher value, and less tea disposed of at the date of closing accounts. With regard to the garden revenue expenditure, compared with the previous year it shows a total increased expenditure on the gardens of £14,213 19s. 4d., chiefly under the following headings:—Cultivation, £2,544; recruiting, £819; agreement bonus, £827; coolie expenses, £540; buildings, £1,265; stores and machinery, £400; crop headings, £5,173; loss on rice, £773; and purchase of land, £356. Owing to the larger crops the average expenditure per pound on the gardens has only risen .08d. per pound to 4.95d., as against 4.87d. in the previous year. Including all charges, the average cost per pound is 6.47d., as compared with 6.02d. in 1913. Turning to the profit and loss account, the expenses in London are £14 0s. 7d. lower. War risk insurance is a new item which has cost the Company £3,549 16s. Income tax has cost £3,625 7s. 11d., against £30 11s. 4d. in 1913, due to higher scale of tax and larger profits. Commission to managers and staff shows an increase of £2,064 5s. 4d., a very pleasing and satisfactory feature to all concerned, as it also means an increase in profits to shareholders. After paying the Preference dividend and all other charges the board recommend the distribution of a dividend and bonus for the year of 20 per cent., that £1,400 be put to a reserve for advances and coolie recruiting, and £15,000 to the general reserve, also £5,000 to a special reserve for new machinery, and that £19,365 11s. 8d. be carried forward, as against £16,511 7s. 7d. brought in. I feel sure that this proposed appropriation will meet with the approval of the shareholders, and that it is a good, conservative and sound policy to go on steadily increasing our reserves. The analysis of the revenue working of the Company for the year shows a total crop of 6,731,196 lb., compared with 6,101,842 lb. in 1913, an increase of 629,354 lb. The gross proceeds are £263,222, as against £222,901, an increase of £40,322, and the yield per acre is 677 lb., compared with 626 lb. in the previous year. The average gross price per pound is 9.58d., as compared with 8.84d. The cost per pound is 6.49d., as compared with 6.06d.; the net profit per pound is 3.11d., against 2.82d. in 1913; and the average profit per acre is £8 10s. 4d., as compared with £7 5s. 3d. in the previous year.

#### The Estates.

I will give you a short analysis and comparison of the working of our three groups of estates. The Assam group's results show a still further advance on the good profits obtained in 1913. The Dooars group show a total crop in excess of 1913 of 1,335 maunds. Bearing in mind the very large increase in crop and profits in 1913, a further improvement of 1,335 maunds and £1,688 profit for 1914 is satisfactory, more especially as the season was a poor one for crop in the Dooars district. The Ceylon group shows an increase in gross proceeds of £4,487, an increase per pound of 0.42d.; an increase in cost of £2,290, a decrease of 0.22d. in the cost per pound; an increase in net profit of £2,197, an increase in the profit per acre of £1 9s. 2d. There is also an increase in crop of 1,163 maunds and an increase in the

production per acre of 62 lb. The increase in expenditure at gardens is £981.

#### Rubber Interest.

We were applied to, and have agreed to supply £1 each in the British Malay Rubber Company, Limited, and shall ask for your confirmation of our action. As I pointed out at the general meeting of the latter Company held on May 10, excellent progress has been made in the development of the property and the prospects seem excellent.

Looking back at the past history of this Company, especially since 1904 (when the heavy duty on tea hit us badly), I think you will find good reason for the continued success of the Company. During the last three years our profits have risen from £56,717 to £84,704, and, as I have already stated, I think we are justified in taking a very favourable view of our prospects for the current year.

Mr. G. F. Moore seconded the motion, which was carried unanimously.

### KELLY'S DIRECTORIES, LIMITED.

The eighteenth ordinary general meeting was held on June 29 at the offices, 182-4 High Holborn, W.C., Mr. E. Festus Kelly (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Turning to the credit side of the balance sheet, you will remember that last year an increase of our Ordinary shares was sanctioned, and that accounts for the additional £25,000 in Ordinary shares now shown. The money for that was obtained, not by subscription, but by taking the sum from the reserve. As explained at the time, the money was needed for the extension of our business abroad. The last item on the credit side—sundry assets in enemy country, £7,400—almost entirely consists of bank balances. There are certain movable assets which are merely office furniture. What will happen to those assets it is beyond our power to say, and we have thought it best to make a reserve of £2,472 for them. We have been informed that our two businesses in Germany have been taken over by the Government there, and that surveyors have been appointed. If you look at the profit and loss account you will see that there is a reduction of roughly £14,000 in the balance of profit.

#### The London Directory.

At the time when the preparation of our annual books was just about commencing came the thunderbolt in the shape of war. For the first few weeks it looked as though business would come to a complete standstill, but then matters considerably improved. Necessarily, in a business of this sort, everything has to be done to time table in order that the books may come out on the date to which people have become accustomed. It is, therefore, a matter of great congratulation that, in the circumstances, the London Directory, our principal book, was produced only two days later than in the previous year. On most of our main books there was a certain amount of loss of receipts, but still there are some very encouraging features. If we take our London Directory as the main book, our sales and advertisements were almost wholly maintained, and while there has been undoubtedly a smaller amount of money received on their account, this is very largely accounted for by the absence of advertisements or extra insertions from enemy firms having agencies in this country. Throughout the provinces of Great Britain business has been very fairly maintained everywhere, with the exception of Manchester, where the doubt as to the position of cotton, and perhaps in some measure owing to the large number of foreign firms established there, our receipts diminished very unpleasantly. Our main book dealing with foreign matters is the Merchants' Directory. Owing to the widespread nature of our business, our agents in most foreign countries no sooner complete their round for one year than they start again working for the edition of the following year, so that in August last our foreign business was in full swing. In the same way as business for the time being ceased in England it ceased, so far as we were concerned, all over the world, and we had to withdraw some of our experienced travellers and bring them back to London. A number of them are now serving their country as interpreters. Last year I reported that we had formed two companies in Germany to carry on our business there, and had purchased the shares of an old-established American Company.

#### American and German Interests.

The American business for the first year produced results which cannot be considered unsatisfactory, but I regret to say that the board continue to receive most depressing accounts of the state of business in America. Last year we placed £5,000 to reserve. Although we are not this year putting anything to reserve, in so many words, yet we have made a special reserve of £2,470, we have written off £2,000 for depreciation of investments, and the amount carried forward is increased from £20,000 to £22,193. Therefore we are really putting over £4,400 to reserve and increasing the carry-forward.

Sir Ernest Spencer seconded the motion.

Mr. Henry inquired how much capital the Company had invested in America, and also what was the position with regard to the German business.

The Chairman replied that, in round figures, the amount invested in America was £20,000, and the business there had been established 25 years. They had been trading in Germany for 30 years. In that country they bought up an old-established business, and so they had there a Company to carry on their own agency and another Company to carry on the local business. Their total liability in Germany was about £7,000, of which one-third had been written off.

Mr. Henry said that he was relieved at what the Chairman had told them, because he was told by his stockbroker that the Company had had a "hard knock" in Germany.

The motion was adopted.

The Chairman then proposed: "That the directors be authorised to pay a dividend of 5 per cent. on the Cumulative Preference shares for the three months ended March 31, 1915, and an interim dividend on the same shares of 5 per cent. for the three months ending June 30, 1915; and, further, that the directors be authorised to pay a final dividend of 3½ per cent. on the Ordinary shares numbered 1 to 225,000, making, with the interim dividend of 2½ per cent. paid December 31, 1914, a dividend of 6½ per cent. for the year, leaving a sum of £22,193 0s. 6d. to be carried forward."

Lieut.-Col. A. Lindsay Kelly seconded the resolution, and it was carried unanimously.

### LOBITOS OILFIELDS, LIMITED.

THE seventh ordinary general meeting was held on June 29 at Winchester House, E.C., Sir Archibald Williamson, Bart., M.P. (Chairman of the Company), presiding.

The Chairman, in moving the adoption of the report, said that they were continuing a conservative policy in providing adequately for depreciation, especially on equipment account and development account. It was interesting to note that on these two items in the seven years since the Company was formed they had expended £418,756. Of that sum they had written off £270,949, carrying forward as assets under those two headings the sum of £147,807. The reserve account had been increased this year by £10,000 to £60,000, and this account was well invested in their steamers. The Company had three steamers, the cost of which was £270,000. They had written the steamers down until they now stood at £236,785. Owing to the abnormal demand for tank steamers owing to the requirements of the Government the three steamers were probably worth a figure not far short of the total capital of the Company. The total net profit of the year amounted to £50,005. Adding the amount brought forward from last account the sum to be dealt with was £65,806. The directors recommended the payment of a dividend of 10 per cent., and after adding the amount taken to the reserve they were carrying forward a balance of £18,890. The net profit earned was considerably less than the previous year owing to two factors—namely, decreased production and smaller profits from steamers. The decreased production was due entirely to the outbreak of war. Business was naturally disorganised by that event, and for some three months they had to close down all their pumping wells. Otherwise they would have been able to record an increased production for 1914 as compared with 1913. While they could not complain of the earnings of their steamers for 1914, they compared with an abnormal year in 1913. Oil freights during the latter year were exceptionally high, while 1914 was, on the whole, a year of moderate freights almost up to its close. With regard to the field operations of the year, the production had been 67,288 tons, as against 74,315 tons in 1913. There was no doubt that but for the War the year would have shown a satisfactory increase over the production of 1913. At the beginning of 1914 there were 110 wells producing oil, and during the year 12 new wells were finished. Of these three got into difficulties or were dry holes and were abandoned. The remaining nine were producers, and, added to the 110 wells, would make 119 wells. It had, however, become necessary to abandon four older wells which ceased to produce, so that the actual number of producing wells at December 31 last was 115, or a net increase of five as compared with the same date of the previous year. Of these 115 wells, 102 were being pumped and 13 were flowing. At December 31, 1914, there were nine wells in process of drilling, but not completed. He referred last year to well No. 188, which at that time was 4,034 feet deep. They carried this well down to a depth of about 5,000 feet for exploratory purposes. The skill and care needed to drill a hole to this great depth reflected the highest credit upon the ability of their staff. The total depth drilled during the year was 28,489 feet, as compared with 31,642 feet in 1913. Since the closing of the accounts production had satisfactorily increased. The output for the month of May constituted a record, and for the first time time exceeded 8,000 tons. The production for the first five months of the present year was 37,193 tons, as compared with 32,964 tons during the corresponding period of 1914. The prospects of the current year were satisfactory. The steamers would probably show increased earnings, their production was increasing, and they were comfortable in the knowledge that they had contracts running which would absorb it. Those contracts were made in the earlier part of 1914. It would interest the shareholders to learn that since the accounts were closed an

exceptional opportunity occurred, which was availed of by the directors, to add to the property of the Company additional areas of about 3,200 acres. The grounds referred to lay, in part, contiguous to lands which they had already proved to be rich in oil. The price paid was a very moderate one and had been met out of their ordinary resources. The directors believed the area added had very great potential value.

Mr. John B. Wimble seconded the motion for the adoption of the report, which was carried unanimously.

### ASPREY AND COMPANY, LIMITED.

THE sixth ordinary general meeting was held on June 30 at 166 New Bond Street, W., Mr. G. E. Asprey (Chairman of the Company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—Although your directors had for many years felt apprehensive of German power and ambition, and had been confident that the great War must come sooner or later, they had grown so accustomed to the thunder-cloud that the storm, when it burst, found them not much better prepared than the majority, who had taken at their face value the pacifist assurance of politicians. I say "not much better prepared," because we did, as a matter of fact, proceed with extra caution during the early part of 1914, inspired by some undefinable apprehension, with the result that our financial position, when August came, was even stronger than usual. We were thus preserved from anything akin to panic, and never hesitated to carry on without dismissing any of the staff or reducing any salaries. Our main anxiety at that time was to find work to keep our factories employed, and, learning that there was a serious shortage of officers' equipment, we contrived in a very short time to organise the output of this on a considerable scale. Moreover, by purchasing all materials promptly and heavily for cash down, we were able to supply officers with the very best quality goods at prices no higher than had been current in times of peace. Besides officers' equipment, our factories have also been busily employed on contracts for the War Office, and are still engaged on this work. Shareholders will not be surprised to learn that we have suffered a very appreciable diminution of regular business, but this has been partly compensated for by the military work. As it has not been possible, without inflicting hardship upon the staff, to reduce expenses in any considerable way, the profits have suffered in a higher ratio than the volume of business, and are nearly one-third less than last year. This is the first time in seven-

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teen years that the volume of trade has not increased. The financial position, however, is one of very notable strength. During the six years since the Limited Company was formed, the whole of the preliminary expenses have been written off and a reserve of £50,000 created. The actual cash at the bank and in hand is, you will notice, much more than sufficient to pay all the creditors of the Company. The goodwill obtained by value and good service is, in the opinion of your directors, a far more solid asset than one obtained by extravagant advertising, and the foundations of this business are so well secured that full confidence may be felt in its future. The balance of profit and loss account, £6,725 4s. 5d., which is arrived at after making ample provision for all liabilities and reserves, and after payment of the Preference dividends and of Ordinary dividends at the rate of 11½ per cent., shall be carried forward, it is proposed, to the next account.

Mr. A. W. Hilling seconded the motion, which was carried unanimously.

#### HALL AND COMPANY, CROYDON, LIMITED.

THE seventeenth annual ordinary general meeting was held on June 26 at the Greyhound Hotel, High Street, Croydon, Mr. H. D. Hall (Chairman and a managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: With regard to the accounts before you, which, with your permission, I will take as read, there is no big war profit; in fact, the earnings of the Company are about the same as last year, and less than they were in 1912 and 1913. This may be unexpected by some of you after the numerous attacks on the coal trade which have appeared in the public Press. You had every right, on reading these, to come to the conclusion that we were making enormous profits, and that no patriotic man could be interested in the coal trade. The Government appointed a Departmental Committee to inquire into the high prices, and they published a report which I will not discuss now, except to point out that this Committee admitted the price had remained normal for five months—that is, from the beginning of August to the end of December. As a matter of fact, the coal sold by this Company during that period did not fetch so much by nearly 4d. per ton compared with the corresponding period of the previous year. After this, in January and February, coal rushed up in price, as nearly everybody was short of supplies. We also ran short, and consequently had to buy at very high prices, and, of course, were obliged to increase prices to our customers to a corresponding extent; but the net profits for the year have not increased, which clearly shows that we have not overcharged. The delivery of coal was very difficult and expensive, as for weeks we had to deliver in small quantities in order to keep our customers supplied and so go round over and over again. Of course, such multiple deliveries add largely to the cost.

The price of coal to-day, mid-summer, is higher than it was at Christmas Day, and there is only one thing, in my opinion, which will permanently reduce it, and that is victory in the field and on sea, which will bring peace and a gradual return to normal times. Government or local authorities' interference would, in my opinion, tend to have the contrary effect. Our Company was more or less well prepared for any emergency which would stop its earning powers for a period, and I must confess that we did not try to make a large profit out of the country's difficulties. We intend to keep our business together and treat our old customers fairly, as well as to help those of our competitors who have got into difficulties, rather than take the opportunity of buying up fresh businesses and extending our connection. There is plenty of time for this, and we will not be slow to fight our competitors again after the Germans have been defeated and business really resumes its usual course. The Company have entered into an agreement with the Croydon Corporation to acquire the part of Cherry Orchard Road adjoining Victoria Wharf which will become vacant owing to the diversion of Cherry Orchard Road. This will improve the wharf accommodation, and enable the Company to rebuild its chief offices, which is of great importance to us, as our business has long outgrown the accommodation provided at these offices.

There is very little I need explain in the accounts. The reduction in the freehold premises of £1,474 is caused principally by the sale of some houses in Bedford Park, Croydon, and some land at Amberley, after providing for the additions to our Romford property. The investments, which stood at £70,923 last year, have been increased by £5,593, which consists of £4,000 of the first War Loan, and the balance consists of shares and Debentures taken up under an agreement with the Independent Brick Company. The latter is, I am afraid, a bad investment, but we have made allowance for that in the estimated value placed upon our securities, which, of course, have suffered heavily in other directions. We propose providing £3,000 from the profits of this year towards meeting this depreciation. We could write it off altogether out of the undivided balance of profits, but with the difficult conditions that surround us we do not care to reduce the amount to be carried forward. There is a balance of £11,578 being carried forward, as well as a reserve account of £38,500. You may rest assured that our position is thoroughly sound. I have great pleasure in moving the

adoption of the report, the payment of a dividend on the Preference shares, and the payment of a dividend on the Ordinary shares at the rate of 5 per cent., together with a bonus of 2½ per cent.—which is at the same rate as has been paid during the past three years—together with the commission of £685 10s. 3d. to the directors and a bonus to the staff of £630.

Mr. J. Hall (Deputy-Chairman and a managing director) seconded the motion, which was carried unanimously.

#### OHLSOON'S CAPE BREWERIES, LIMITED.

THE meeting was held on June 30 at Cannon Street Hotel, E.C., Mr. Algernon L. Elwes (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: There is no alteration in the issued capital. Turning to the other side of the balance-sheet, the addition to cost of land, breweries, houses, &c., refers chiefly to an hotel upon which we had for many years held a mortgage, and which during the year we took over in satisfaction of our mortgage. Off this is deducted the value of an hotel licence which was forfeited on account of transgression of the licensing regulations by our tenant—a risk we have always to run. Credit is also taken for certain unlicensed property which we found an opportunity of realising. We have written £7,500 off for depreciation of machinery and plant, and I should like to point out that we have written this item down during the last six years by over £40,000, which is a satisfactory feature in the accounts. (Hear, hear.) Stocks in trade stand at £13,000 less than a year ago, while the amount of sundry debtors, loans, trade investments, &c., is also less, chiefly on account of the transfer to capital of the hotel to which I have already referred as having been hitherto mortgaged to us. Cash and bills receivable show an increase of about £13,000 on last year's figures. The profit for the year, after providing fully for bad and doubtful debts is £82,272 9s. 2d., as against £87,558 9s. 2d. a year ago. This year's accounts, however, have been charged for the first time—as we have stated in our report—with Colonial income tax, and have also been subjected to heavy increases in freight and insurance and other charges consequent upon the War, and there is, I think, reason for satisfaction in our being able to maintain the rate of dividend on the Ordinary shares at 8 per cent. The conduct of the business in such a year as we have passed through has been very difficult. The Union Government was compelled to raise more money for the purposes of the War, and the brewing industry, as usual, was not overlooked in the search for additional revenue, the Excise duty on beer, which was already high, being increased by 50 per cent. This was introduced as a war tax, and I hope we may look to see it rescinded when the campaign in German South West Africa is ended. Meanwhile the brewers were compelled to raise prices—I hope also temporarily—and this, of course, tends to curtail consumption, and also assists the competition of Colonial wine, which pays no Excise whatever. The Colonial income-tax was also raised, and is now fixed at 2s. in the £ on incomes exceeding £24,000. In such circumstances as we meet in you will not expect me to attempt any forecast of the immediate future of our business.

Mr. Gerald Buxton seconded the motion, which was carried unanimously.

#### J. G. WHITE AND COMPANY, LIMITED.

THE sixteenth ordinary general meeting was held on June 29 at the Cannon Street Hotel, E.C., Mr. J. Beaver White in the chair.

The Chairman, in moving the adoption of the report and accounts, said: The effect of the War has been very serious. I think you will agree with me, however, that, considering the character of the business, and being as we are largely dependent for additional contracts on the development of new enterprises, we are to be congratulated on being able to meet you to-day under as favourable conditions for the Company as are shown by the accounts. When the War began in the early part of August the necessity of doing everything possible to conserve the resources of the Company became at once evident. If the Company was to withstand a possibly long period of comparative inactivity, to meet promptly its commitments and obligations when, on the other hand, it might not be able to secure the payment of accounts for materials furnished and work done on all contracts in hand, then not only would it be necessary to watch carefully over the liquid resources of the Company, but also to institute economies wherever possible. It was for this reason that the directors decided not to pay an interim dividend at the end of December last. Economies were as early as August instituted by the directors responsible for the management of the Company, starting by imposing upon themselves a large reduction in fixed salaries, although these salaries were already small in view of the fact that such directors are largely paid by participation in profits. A considerable number of the staff have enlisted, but are receiving allowances, and their places are being, in so far as it is possible, held open for their return. Other economies have been effected, so that, while the War has been in progress for seven months out of the total year

covered by the accounts, yet expenses have been reduced by 32 per cent. of those for the preceding year. The expenses for the current year should show a reduction of about 50 per cent. over the year to February 1914, and it would not seem wise to make any further reduction at the present time, as it is necessary to keep the organisation complete in outline. Regarding our present position, from the profit and loss account you will note that we have made a profit of £19,772, against £70,387 in the preceding year. We are recommending to you a dividend of 6 per cent. If our resources had been more liquid we could have made a larger distribution. The item "Percentage of profit to staff and directors," which last year absorbed £7,504, has disappeared. This is unfortunate for the directors and staff interested, and shows that they are suffering with you in the lessened return which they are receiving from the Company. Turning to the balance sheet, you will see that we have realised some of our investments, which has been done at a profit. This, with the reduction in cash, is largely accounted for by the reduction in sundry creditors. The financial stability and strength of the Company really depend on the investments. The directors have gone over these most carefully, and, in their opinion, the value appearing in the balance sheet is less than they are actually worth to-day, although under present conditions no appreciable amounts could be sold on the market. From this fact you will appreciate that the previous valuations placed upon the securities were conservative. With regard to the future, we believe that the business of the current year will meet all expenses and leave a substantial profit.

Mr. William C. Burton seconded the motion, which was carried unanimously, and the dividend recommended was declared.

### A. GOERZ AND COMPANY, LIMITED.

(Incorporated in the Transvaal.)

THE general meeting of the shareholders of A. Goerz and Company, Limited, was held in Johannesburg on June 4. The following is the official report of the proceedings:—

The Chairman, Mr. H. Newhouse, in the course of his speech, said: You will see that at the prices at which the first transactions took place upon the reopening of the London Stock Exchange in January last, or where no prices could be so ascertained at the directors' valuations, the shares and Debentures and sundry participations had a value of £837,512, equal to a shrinkage of £331,012 as compared with the book value. I am glad to say that the position has improved since January by £250,000, reducing the net depreciation as compared with book value to £80,000. This means that the value of the assets of the Company works out at 19s. per share. Of this amount, 13s. 3d. applies to our holdings of shares in dividend-paying companies, in which is included the Modderfontein Deep Levels, *plus* the excess of cash assets and debtors over liabilities. By far the greater proportion of this 13s. 3d. is represented by our holdings in Modderfontein Deep Levels and Geduld Proprietary Mines. You will see from the report that we have followed the policy of retaining our large holdings in these two Companies, and I may call attention to the entry of the latter into the dividend-paying list a few months ago, while the Modderfontein Deep Levels will follow very shortly. This means that from this year onwards we shall obtain a substantial revenue from dividends from these two sources.

#### The Modderfontein Deep.

Turning to your interests, the feature of the year's work has, of course, been the completion of the development stage of the Modderfontein Deep Levels, and its successful commencement of what I have no doubt will prove a long and profitable career as a crushing company. The achievement of bringing the mine to the producing stage in the short time of four and a half years from the date of starting active work reflects the greatest credit on all concerned. After trial crushings, commencing on December 14 last, regular work was started on January 1, and the results obtained during the first five months of this year are extremely satisfactory. Although the plant was only designed to treat 30,000 tons monthly, 31,700 tons were crushed in the third month of production, 30,500 in April, and 32,300 in May. The yield, which was 33s. 11d. per ton in April and 35s. 2d. per ton in May, is in accordance with what the value of the ore reserves led us to expect, and the costs are remarkably low considering the short time the mine has been at work. It is confidently expected that they will show a further decrease. The total profit earned in the first quarter was £46,587, while in April it amounted to £26,971 and in May to over £29,000. The debt to our Company has been entirely liquidated. Seeing that the capital expenditure still likely to be incurred this year is small, the Modderfontein Deep will be in a position to distribute among its shareholders a substantial proportion of the profits earned this year. As far as the development of the property is concerned, the position is excellent. There is sufficient tonnage opened up to feed the present mill for six to seven years, and the average value of 8 dwt. over the stoping width of 69 inches has been so conservatively calculated that

reliance can be placed on obtaining the full value given. Development, which had been suspended for some months, was resumed in March last, and the 380 feet assayed to April 30 give an average of 14.7 dwt. over 51.5 inches. This short *résumé* of the position will no doubt cause you to agree that there is every reason to regard the prospects of this mine with great confidence.

#### Geduld's Increased Profits.

Notwithstanding the fact that throughout the whole of last year operations on the Geduld Proprietary Mines still continued to be hampered owing to the inadequate supply of native labour, comparatively satisfactory results were achieved—the profit being increased by the substantial amount of £70,000, as against 1913, and the Company found itself justified in declaring its first dividend. The financial position of the Company at the end of 1914 was a very strong one, the net amount of cash, after allowing for all liabilities, amounting to over £170,000. The profit for last month is about £12,000. The results obtained during the first five months of the current year show a striking improvement on the 1914 figures, the total profit for this period being about £59,000. This gives a monthly average of about £11,800 as compared with slightly under £9,000 per month last year. The better labour supply has been largely responsible for this highly gratifying increase in the monthly profits. This has rendered it possible to utilise the full capacity of the mill, with a resultant important decrease in the working costs. Last year they averaged 24s. 5d. per ton, whereas in March last they were as low as 21s. 3d., and may even be further reduced, although the adverse influence of the War on the cost of stores, &c., must not be overlooked. The ore reserves at the end of 1914 showed a small increase in quantity, value, and width as compared with the preceding year. During the present year it has been found possible very considerably to increase the amount of development work, and a further increase is planned. Although, owing to the inadequate labour supply last year, the Company's technical advisers have not yet found themselves in a position to recommend the placing of the order for the enlargement of the plant, a good deal of preparatory work has already been undertaken. You may be sure the Company will take this step as soon as possible, and you will see that your Consulting Engineer considers it probable that if the labour supply is maintained this will be done during the current year. A broad survey of the position of this mine and its possibilities leads me to entertain most hopeful views as to its future.

#### May Consolidated and Princess Estate.

The May Consolidated is still continuing to find sufficient ore to keep its mill employed, and is likely to do so for some time to come. As you know, the Company, in addition to its original property, holds 28,875 Modderfontein Deep Levels shares, and this is really now the main asset of the Company. As the average cost of its holding is only about 31s. 5d., the profit on the investment is a very handsome one. Compared with the preceding year, the results achieved by the Princess Estate in 1914 reveal no striking change, the total working profit showing the small increase of £2,869. In spite of this the net liabilities of the Company were reduced from £25,946 to £10,367, as considerably more was written off in respect of mine development redemption than was spent on new development. The prospects of the Company mainly depend upon the development position, and I am pleased to say that recently the better supply of labour has enabled more development work to be undertaken. Efforts are being principally devoted to the West Deep section, and the indications alluded to in your Consulting Engineer's report continue to justify the expectation that a considerable quantity of payable ore may be found there. Good values have been obtained on both the Main Reef and South Reef, and if these continue the prospects of the mine will correspondingly improve.

#### Interests in Mexico.

Foreign mining property in Mexico continues to be respected, and I am glad to say that the plant, machinery, buildings, and equipment at the La Fe mine are all in good condition. Pumping operations have been carried on uninterruptedly and economically, the total cost of pumping, upkeep, and all charges in Mexico having been reduced to £500 per month. The resumption of milling operations largely depends upon the restoration of regular railway communication with the port of Tampico, where the necessary oil fuel is obtained. As soon as this has become reasonably certain, it is intended to restart the mill. Our interest in the San Francisco Mines of Mexico has been fully dealt with in the directors' report. The conditions at the mine continue favourable. The pilot plant has been erected, and the tests upon the ore have commenced.

As you will see from the report, your board was advised that the directors resident in Germany vacated their seats by operation of law on the outbreak of the European War, and since that date Mr. Zutrauen and your Chairman, Mr. A. Brakhan, have resigned. I doubt not that I shall be acting in accordance with your wishes if I put on record your, as well as the board's appreciation of the valuable ser-

was rendered by the gentleman to the Company a past year. Further, I have pleasure in announcing that by resolution of the board of directors Mr. Joseph Temperley, a merchant and shipowner of high standing in the City of London, has been elected to the board and appointed Chairman of the Company.

The report and accounts were adopted.

### CROWN MINES, LIMITED.

(Incorporated in the Transvaal.)

THE nineteenth annual meeting was held in the board-room, Corner House, Johannesburg, on June 4. Mr. Samuel Evans, Chairman and Managing Director, presiding.

The Chairman, in moving the adoption of the report and accounts, said: The results for last year, compared with those for 1913, were:—

	1914.	1913.
Tons mined ... ..	2,558,668	2,483,622
Tons milled ... ..	2,287,000	2,195,600
Revenue from gold won ...	£2,975,688	£3,248,132
Working expenditure... ..	£1,784,059	£1,805,659
Working profit ... ..	£1,191,629	£1,442,473

The revenue from outside sources totalled £14,273 in 1914 and £7,063 in 1913. It is possible that a comparison with 1913 only may convey an unduly unfavourable impression.

The board and the management fully realise that last year's results were below our expectations. Compared with the average of the five years since amalgamation, the 1914 profits show a reduction of £88,000, or 7 per cent. I may add that last year's results were about 9 per cent. below the average profits of the previous four years.

#### The Reduced Value of the Ore.

One of the least satisfactory features of last year's operations was the low yield per ton of the ore mined from the payable ore reserves. At the end of 1913 these reserves were estimated to have a value of 6.82 dwt. per ton. Of the tonnage treated in 1914, 79 per cent. was taken from the reserves. After allowing for sorting and for the tonnage mined from sources other than the reserves the grade last year should have been about 27s. 10d., or approximately 1s. 10d. more than the yield per ton actually recovered. A part of this discrepancy, say about 10d., was due to the greater width of the reef channel. It is difficult, however, to account for the balance. As Mr. Warriner points out, any estimate of the value of ore reserves can only be looked on as the closest possible approximation to the correct figure when making use of all the data available, and the fact that there is a discrepancy in any one year does not prove that the estimate of the value of the reserves as a whole is wrong. In dealing with such large areas no reliable conclusions can be drawn from the results obtained in the course of comparatively short periods. We have reason to believe that the variation between the actual yield and the ore reserve valuation was abnormal, particularly in December last, and in January this year; and this view is confirmed by the better results obtained in the past three months, which show an improvement in the working profits of about £25,000 per month, as compared with the average monthly profits of the last quarter of 1914.

#### Ten Million Tons Ore Reserve.

At the end of December last our payable ore reserves were estimated at 10,022,000 tons carrying 6 dwt. in gold. I think the estimate will be found to err, if at all, on the conservative side, as there is reason to believe that at the time it was framed the values in the stope faces were abnormally low. The total number of claims exhausted during 1914 was 28, and we had left on January 1 last 1,840 intact reef-bearing claims. It will interest you to note that our output last year, £2,975,687, was equal to 8.72 per cent. of the gold output of the Rand, 5.23 per cent. of the gold output of the British Empire, and 3.26 per cent. of the total gold output of the world. In the past three months the value of our output has averaged £277,500 per month, or at the rate of £3,330,000 per annum. We paid the Government last year by way of profits tax, mynpacht dues, half-claim licences, and native pass fees a total of £130,633, which is equal to 1s. 1.7d. per ton milled, or 13.9 per cent. of our issued capital. We also contributed to the miners' phthisis compensation and insurance funds £48,499, or 5.1d. per ton milled.

#### Effect of the War.

The sudden outbreak of the War in Europe at the beginning of August last created a very grave problem for those responsible for the management of these mines, and I think our shareholders have every reason to be grateful to the Governments of Great Britain and of the Union of South Africa for the prompt arrangements which were made, and which have enabled the mines of the Rand to be worked without any serious dislocation. In the ten months that have elapsed since the declaration of war the Crown Mines and the Rand as a whole have mined and milled a larger tonnage than in any previous ten months in our history. For the time being we have to face a much heavier taxation. White labour is less efficient, as 227 of our men, includ-

ing one of our best and most experienced men, have joined the Forces.

#### Current Year's Results.

Before concluding I wish to refer briefly to the result achieved since the end of 1914. The profit for January was disappointing, and I think we are justified in considering the results of that month as being abnormally low. Since the end of January the monthly profits have shown an improvement on those of the corresponding period of last year. The May results were, tons milled, 220,000; value of yield, £285,752; working profit, £117,674. Had we been working last month on the same conditions as in the corresponding month of 1914 we should have had a total profit of about £129,000. There were extra costs last month compared with May 1914 amounting to over £11,000, due to additions to the charges in connection with the realisation of gold, payments to the dependents of men on active service, the higher price of stores, additional contribution under the Miners' Phthisis Act, and increased development. During the quarter ending last month we earned an average monthly profit of £113,000, as compared with £103,000 during the corresponding quarter of 1914, and we have every reason to expect that the improvement will continue, provided we are not disappointed in our labour supply. We have recently made certain alterations and additions to our slimes plant, which should add about 10,000 tons to the capacity of our reduction plants and bring the total capacity up to over 240,000 tons per month.

The amount of the interim dividend to be declared for this half-year has not yet been decided upon by the board. I gather, however, that the feeling of some of the larger shareholders is that it would be a sound policy not to raise the dividend until we have wiped out the Company's indebtedness over and above the unredeemed balance of the Debenture issue. As you will see from the accounts we had at the end of last year a net cash liability of £111,457. By declaring a dividend of 35 per cent. for the first half of this year we shall substantially reduce this liability, and place the Company in a very sound position and free to distribute a larger dividend in the second half of the year.

Mr. Schumacher seconded the motion.

### GELDENHUIS DEEP, LIMITED.

(Incorporated in the Transvaal.)

THE twentieth ordinary general meeting was held on June 9 in the Corner House, Johannesburg. There were present Messrs. E. A. Wallers (Chairman), R. W. Schumacher, H. C. Boyd, C. Meintjes, R. M. Connolly, F. Raleigh, B. H. Davis, V. J. Ronketti, Comte C. F. de Ferrières, S. M. Nelson, M. Honnet, A. J. Wright, F. H. Barry, H. J. McCormick, and S. C. Steil. There were represented 354,916 shares out of a total issue of 585,753.

The Chairman said: Gentlemen,—I can be quite brief in reviewing the results of your Company obtained during last year, because the directors' report and accounts have been in your possession for some time and will, I hope, have given you a fairly complete picture. The net profit for the year amounted to £130,552, and together with certain other small credit items and the balance brought forward from the previous year of £127,422 we had available on appropriation account altogether the sum of £262,695. We paid our Government taxes and distributed dividends of altogether 18½ per cent., or approximately £110,000, which is a rather better distribution than for 1913, and we have carried forward an unappropriated balance of £148,712, in which is included certain cash assets and actual liquid cash, after allowing for all liabilities, amounting to £95,200. That is quite a good cash position.

#### Reduction in Costs.

The native labour position during some portion of the year was not as good as we could have wished, and the tonnage milled was some 53,000 tons less than the quantity handled during 1913. A gratifying reduction in working costs just about balanced a reduction in yield, and your profit per ton was almost the same as that obtained during the previous year. You will realise that this mine can never become a very cheap one to operate, because not only is the development—which, as you are aware, is charged to working costs—expensive for the results obtained, but the equipment is one of the oldest on the Rand and has become rather costly to maintain in working order. The reduction in costs in recent times is, however, very encouraging, and we have reason to think that a further reduction is possible.

#### Development Results.

As regards the development operations during last year, you will have seen that very active work was carried on and that a total footage of approximately 24,000 feet was effected, but the results obtained in the shape of payable ore from these extensive operations were not, I regret to say, any more favourable than was the case during 1913, and which were referred to at the last annual meeting. The payable ore developed, however, very nearly kept pace with mining operations; your ore reserves of 1,613,000 tons are only some 56,000 tons less than indicated in the previous year, and the value of 6.4 dwt. per ton remains the same. In the eastern section of the mine the development is almost com-

pleted, and the ore opened up in this section during the year, though not of high grade, should yield a fair margin of profit. The undeveloped portion of our mine consists, as you know, of a large area of ground at the bottom of the western section, and it is in this locality that a disappointingly low percentage of payability has been met with in the values disclosed, both by the extensive work carried out last year and the work performed since the beginning of this year. It should not be overlooked that as a result of our active operations the development of your mine is fairly rapidly approaching completion, and the time will, therefore, come when the heavy expenditure now being incurred in this development work, which in fact amounted to £65,000 during last year, will cease and your profits show a substantial improvement.

#### This Year's Profits.

As regards the monthly profits obtained so far during this year, we have averaged £9,475 per month, and we anticipate that with normal conditions we shall maintain that rate of profit without any difficulty for the remainder of the current year. It is a little early as yet to say what the dividend for the current half year will be, but as far as present results go a distribution of 10 per cent. for the six months is indicated. As you know, there have been certain disabilities regarding the operations of your Company owing to the War, in the shape of increased cost of mining supplies, and a certain amount of disorganisation that temporarily occurred as a result of the considerable number of the employees of the Company who are serving in German South-West Africa. On the whole, however, we have been extraordinarily fortunate, and the working facilities we have received from the Government, and the loyal support from employees who wished to serve at the Front, but have realised that not all could go, have enabled us to effect results which, in the circumstances, you will readily agree are very satisfactory. There is some increased taxation for us to bear temporarily, and in this connection I would add that the special war levy of £500,000 upon the industry will mean, as far as we are concerned, an additional tax for this year equivalent to approximately half that which is payable under the ordinary profits tax assessment.

The management of your mine remains in the hands of Mr. Edgar Pam, under the guidance of your Consulting Engineer, Mr. E. H. Clifford, and to them and to all the men who work with them your thanks are due for loyal and efficient service. I now beg to move the adoption of the reports and accounts for the year ended December 31, 1914.

Mr. Connolly seconded, and the motion was carried.

The appointment of Mr. C. Dister to the directorate was confirmed, and Messrs. C. Meintjes and R. M. Connolly were re-elected. The auditors, Messrs. C. L. Andersson and Company and A. Aiken and Carter, were reappointed, and the meeting terminated.

### WEST RAND CONSOLIDATED MINES, LIMITED.

(Incorporated in the Transvaal.)

THE annual meeting was held in Johannesburg on June 3, Sir George Albu (Chairman) of the Company presiding.

The Chairman, in moving the adoption of the directors' report and statement of accounts, said: Although the gross profit for the past year of £78,384 appears to compare somewhat unfavourably with the earnings of £109,208 for the previous twelve months, an investigation of the accounts in detail shows that the results of mining operations for the latter period are more satisfactory than the final figures at first indicate. The main reason for the decreased profit is the lower average value of the ore mined and treated, and this, as pointed out in the report of your directors, is the result of a deliberate policy having for its object the restriction of the grade to a yield if anything rather under than over the recovery value indicated by the ore reserves as a whole. It is, I think, obvious that in opening up a huge property such as the West Rand Consolidated mine a considerable tonnage of ore must be developed which, although admitting of treatment at a profit, is of medium grade compared with other stretches of reef in the mine. Also that the larger the scale of mining operations the less facility for selective mining, such as is possible and sometimes necessary on smaller properties. The yield of 28s. 5d. per ton obtained in the previous year is a figure which we cannot expect to maintain when crushing on the considerably increased scale which we hope to reach in the comparatively near future unless, of course, subsequent development should disclose appreciably higher values generally on Main Reef than we have met with up to the present. For these reasons we decided to curtail the grade of the ore sent to the mill to an average recovery of about 24s. per ton. In this connection I may say that we were also influenced by the reduction of working expenditure which was being effected; the costs for last year (including our *pro rata* contribution to the Chamber of Mines' donation of £30,000 to the Union Government for the provision of a hospital ship, &c.), were 19s. 11d. per ton, as compared with 22s. 9d. for the previous period.

Before passing on from the accounts to other matters of interest in connection with your Company, I may point out that the gross profit for the past year was sufficient, after providing for Debenture interest, Government taxes, and miners' phthisis compensation assessments, to leave a balance of £36,544 of unappropriated profit. This more than covers the capital expenditure during the year of £31,971 on different items of mine equipment and development. On the other hand, it must be borne in mind that we did not require to draw the annual amount of £25,000 of Debentures falling due for redemption in September 1914, as these had been purchased at a discount by your board in the open market during the previous financial year, so that the actual financial position was practically the same at December 31 last as at the end of 1913.

#### Development of the Mine.

Dealing next with the development of the mine, good progress has been made in blocking out the large extent of ground lying between the 3rd and 6th levels west from the west shaft. In my remarks at the previous annual meeting I referred to the borehole which had located the Main Reef at the horizon of the 12th level in this shaft. Later in the year a cross-cut from the shaft cut the reef at a distance of 440 feet to the north, and driving has continued almost uninterruptedly since. Subsequent to the close of the year the reef has been also intersected at the horizon of the 14th level by means of a cross-cut from the shaft. The footage driven and sampled on these two levels to date is as follows: 12th level drives (east and west), 270 feet giving an average value of 6.7 dwt. over 49 inches; 14th level drives (east and west) 160 feet giving an average value of 5.8 dwt. over 48 inches, or a total of 430 feet sampled, averaging 6.4 dwt. over 49 inches.

#### East Shaft Section.

You will possibly remember that during 1913 this section was closed down temporarily, chiefly on account of the scarcity of labour then prevailing. In March 1914, with an improvement in the supply of natives, stoping operations were recommenced on a limited scale, but development work was restricted to the driving of the 12th level west, which is projected to eventually join up with the 12th level east drive from the west shaft, and so form a connection between these two main sections of the property. Since the close of the year, however, an important deal has been carried through by us which will have the result of enlarging the scope of development operations in the east shaft section. At the sale by public auction in March last of the property and assets of the Lancaster West Gold Mining Company we purchased 437 claims of the mining area of that Company for a total amount of £5,500. The result of the purchase is that for an outlay of only £5,500 we have acquired some 110 Main Reef mining claims, in which about 157,000 tons of payable ore are already developed, and which, of course, will, in addition, yield a very considerable further tonnage of rock at present undeveloped. I may say that the 10th level east drive, which is now only a few feet from the ground recently purchased, shows a value of from 7 to 7½ dwt. over stoping width for the last footage driven.

#### Rand Shaft, Battery Reef.

The fact that, out of a total development footage of 13,965 feet effected during the past year in the property as a whole, 8,990 feet were cut in the Rand shaft section, clearly demonstrates the energetic prosecution of the work involved in opening up the Battery reef on your mine. That our efforts in prospecting and opening up this auxiliary reef have been amply rewarded is evident when I inform you that at the close of the past year the payable ore reserves in the Rand shaft amounted to 528,000 tons of fully developed ore, of an average value of 7.7 dwt. over 43 inches, and 147,000 tons of partially developed rock, for which a similar value is indicated.

#### Ore Reserves and Increase of Milling Capacity.

The ore reserves position at December 31 last was as follows:

Fully developed payable, 1,453,000 tons of an average mine value of 6.05 dwt. over 49 inches.

Partly developed payable, 340,000 tons of an average estimated value of 7 dwt. per ton.

Fully and partly developed ore (for which a definite value cannot at present be given, but which is expected to yield a considerable proportion of payable ore), 412,000 tons.

These figures reflect a steady increase, and in view of the satisfactory developments in the west shaft, and the facilities afforded by the recent acquisition of the Lancaster West claims for opening up ground from the east shaft, there appears to be good reason to hope that the position at the end of this year will be such as to warrant ordering the necessary plant to bring the milling equipment up to a capacity of 45,000 tons per month, representing the first stage of our projected expansion of operations.

The motion for the adoption of the report and accounts was carried, the retiring directors re-elected, and the auditors reappointed.

## ROODEPOORT UNITED MAIN REEF GOLD MINING COMPANY, LIMITED.

The annual meeting was held in Johannesburg on June 3, Sir George Allen presiding.

The Chairman, in moving the adoption of the report and accounts, said: I regret that the results from mining operations for the past year show no material improvement as compared with those for the preceding twelve months. Working costs at 10s. 11d. per ton reflect a diminution of 1s. 1d. per ton, but, on the other hand, the yield of 17s. 8d. per ton shows a decrease in value to an almost corresponding extent. Consequently the gross profit (including sundry revenue) of £16,187 for the past year was insufficient to meet the charges for interest and miners' phylaxis compensation, amounting together to £22,139, with the result that a net loss of £5,952 is added to the balance sheet. Your Company's debt to the General Mining and Finance Corporation, Limited, has been increased during the year by £35,532 to a total amount of £294,782. This does not, however, mean that the Company's liabilities as a whole have increased to that extent, as at the end of 1913 there was owing on bills payable £18,000, whereas nothing was outstanding under this head at December 31 last. The real increase in the Company's indebtedness was therefore £17,532, which is represented by the loss of £5,952 already mentioned, capital expenditure during the year of £7,298 under the heading of mine equipment and development, and a balance of £4,283, which is accounted for by the additional amount of cash assets shown in the balance sheet at December 31 last as compared with those at the close of the previous year.

### Ore Reserves.

As regards the change of mining policy, introduced in June 1914, of milling a larger tonnage by means of mining a greater percentage of Main Reef, its justification is amply demonstrated by the fact that, whereas for the first five months of the year the gross profit amounted to only £2,400, the earnings for the succeeding seven months were approximately £13,700. The effect of crushing the increased quantity of Main Reef, which is of a lower average grade than South Reef, has been to reduce the recovery value of the ore milled as a whole to a figure which represents the lowest yield for any year in the history of your Company, but, notwithstanding this aspect, it is doubtful whether the milling of a larger percentage of South Reef would have given as good results, as in that event it would have been impossible to maintain anything like the same total tonnage, and the working costs would, therefore, have been appreciably higher per ton treated. Apart from this, the ore reserves on South Reef would have been considerably depleted. The position of the ore reserves, as a matter of fact, shows a decided improvement, as, according to your Manager's estimates, the fully developed payable ore has increased by approximately 227,000 tons, and the fully and partially developed "probably payable" ore is also well in excess of the figures given at the end of 1913.

### An Encouraging Feature.

While on the subject of the past year's development work I may add, as a matter of some importance and interest, that there now appears to be little doubt that we have previously over-estimated the amount of barren ground in the area lying between the Kimberley main and Kimberley east shafts. You will perhaps remember that a considerable portion of this area was supposed to be occupied by a dyke coursing a little east of south. A big displacement of reef undoubtedly occurs behind the two shafts, but there is now reason to think that this displacement is due to faulting, and not to dyke intrusion, and that in the lower levels, at all events, reef will be found to be contained in most of the ground. It is also encouraging to note that the last 70 feet of sinking effected in the Kimberley main shaft passed through regular formation, thus indicating more settled conditions in the lower portion of the mine. I referred, at the previous annual meeting, to the far-reaching influence which even a moderate improvement in the general value of the ore to be developed in the lower levels might have on the prospects of the mine, and the absence of disturbed formation in the shaft, which I have just mentioned, is in itself an encouraging feature. In this connection I may say that the last 145 feet driven and sampled on the 18th level, South Reef (the lowest drive in the mine at present), gives an average value of 10 dwt., calculated over a stoping width of 42 inches. The report of your Manager refers in considerable detail to the energetic prospecting and development work which has been carried on, particularly in the old United sections of the mine, during the year under review. You will notice that the result of these operations has been to show that there is a very large tonnage indeed of ore, mostly Main Reef, but a certain quantity also of South Reef, still remaining in that portion of the property—apart, of course, from the still larger intact areas in the Kimberley Roodepoort sections. Your Manager is confident that these blocks contain a considerable percentage of payable rock, which he intends to stope in due course; the Main Reef in this ground, where payable, will

probably not average more than about 5 dwt. per ton, but should yield a profit at that value. As regard No. 2 shaft and No. 3 section of the old Roodepoort United mine, to the reopening of which I referred at the last annual meeting, the values on Main Reef have so far not come up to our hopes, though, on the other hand, small blocks of South Reef of distinctly payable value have been discovered in what was previously regarded as stope-out or barren ground. From these remarks you will gather that unless and until the lower levels of the Kimberley Roodepoort sections shall result in opening up better values on South Reef, the mine must be regarded as a low-grade proposition, which can only be expected to yield material profits by crushing on a large scale. With this possibility in view we are endeavouring to increase the scale of milling operations. The crushing plant has a capacity of approximately 60,000 tons per month, but the cyanide works as at present installed can only deal with about 40,000 tons monthly. It is therefore our aim to gradually increase the tonnage treated to the latter figure by the inclusion of a larger percentage of Main Reef ore. Possibly some shareholders may take the view that we are exhausting the ore contents of the mine to no purpose, having regard to the small profits being earned. It must be borne in mind, however, that a very considerable proportion of the Main Reef sent to the mill is of low grade, which can only be profitably treated if working costs per ton are also correspondingly low, and this can only be accomplished by crushing on a large scale.

The motion was adopted unanimously, the retiring directors re-elected, and auditors reappointed.

## WALLIS COMPANY, LIMITED.

### Improvement in Values.—Reef Cut on Third Level.

The fifth ordinary general meeting of the Wallis Company, Limited, was held on June 23 at Winchester House, Old Broad Street, E.C., Mr. Bernard W. Moore (Chairman of the Company) presiding.

The Secretary (Mr. J. H. Jefferys, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Before proceeding to the business of the meeting I would mention that Mr. H. G. Payne and Mr. A. C. T. Veasey, whom you will miss from this side of the table to-day, are away on active service, the board having granted them leave of absence. Mr. Payne is a lieutenant in the Army Service Corps, and Mr. Veasey is a major in the 9th Batt. Hampshire Regt. Mr. Veasey has, under the provision of the articles of association, appointed Mr. V. W. Worsdale as his alternate, and as regards Mr. Payne, who is in France, we are able to communicate with him and get a reply in a short time, so that we still have the benefit of his advice on all technical matters, which is of great assistance to us. The report and accounts for the year 1914 have been in shareholders' hands for more than a week, and I presume it will be your pleasure that we take them as read. With reference to the accounts, turning to the assets side of the balance sheet, you will observe that the item "Property account" remains at the same figure as last year. The figure for general expenditure in West Africa and London has increased by £6,440 3s. 5d., being the amount for the year 1914, which compares with previous years as follows:—1910, £14,774 19s. 3d.; 1911, £18,823 2s. 6d.; 1912, £11,893 16s. 6d.; and 1913, £9,104 17s. 8d. There is included in the 1914 figure the sum of £614 17s. 2d. for amount written off for depreciation and wear and tear of plant and machinery, buildings, stores, &c., the actual general expenditure for that year being, therefore, £5,825 6s. 3d. The next three items have not altered since last year. The remaining ones on the same side speak for themselves, and require no explanation.

### Uncalled Capital Reserve.

On the other side of the balance sheet, it will be seen, on comparing the figures with those of the previous year, that the sum of 1s. 6d. on account of capital and 1s. 6d. on account of premium was called up during the year 1914 on the 50,000 shares which were issued at £1 premium. I may also mention that a further call on the same shares of 6d. on account of capital and 6d. on account of premium was made on March 1 last, so that those 50,000 shares are now called up to the extent of 9s. 6d. on account of capital and 9s. 6d. on account of premium, leaving a balance not yet called up of 21s. per share—namely, 10s. 6d. on account of capital and 10s. 6d. on account of premium. At the extraordinary general meeting held on February 10, 1914, the expenditure of a further sum of £15,000 was authorised, and of this £10,000 has been called up. About £1,500 is estimated to be unexpended, and this is expected to suffice for operations up to the end of August next, and perhaps a little beyond. There will then be the further amount of £5,000 to be called up to make up the £15,000 just referred to. When that is expended the amount of uncalled capital available will be £47,500, which works out at about 5s. 6d. per share on the whole issued capital. Mr. John Macfarlane's report will have given you information concerning the work done, which work has been entirely on the lines set forth

at the meeting of February 10, 1914. In the opinion of the directors, the results amply justify the policy which was adopted by the shareholders on the recommendation of the board. I would call your attention in particular to the highly satisfactory showing in the west drive, and the No. 1 winze at the No. 2 level at shaft No. 2, and, as regards the No. 3 level, although the reef had not then been encountered, you will have seen from the copy of cable accompanying the report that Mr. Macfarlane's expectation of cutting the reef has been realised.

#### Width and Values.

You will also have noticed from the Manager's report the extent to which the values have improved in the west drive at the No. 2 level, there being 9.89 dwt. over 55.34 inches for 265 feet, as against 8.9 dwt. over 55.9 inches for 210 feet. Further, you will observe that cross-cuts were put in at 10 feet intervals, and that the average value of five cross-cuts from 215 feet to 265 feet was 10.19 dwt. over 117.2 inches. So soon as the development of the mine justifies it we shall take the opportunity of publishing a plan of the workings, and when anything of special interest occurs an interim report will be issued. The directors are exercising every care so that the money shall be spent as economically as possible. The Manager, who you will have noticed from the directors' report came home for a short rest after being on the property for about a year, left again for the Coast on May 8, and arrived at the mine on the 29th of the same month. In conclusion, I think it well to call your attention to the satisfactory contents of the cable to which I referred just now. You will have observed the Manager states that the reef has been cut in the cross-cut on the 3rd level at the No. 2 shaft, that the hanging-wall has not yet been reached, and that the present width is 3 feet, with a value of 11 dwt. to the ton. The board considers it highly satisfactory that the reef has been met in the 3rd level. I beg formally to move, "That the directors' report and accounts for the year 1914, presented to this meeting, be and the same are hereby received and adopted." I will ask Mr. Lynch to second the resolution, and then, if any shareholder has any questions to ask, I shall be pleased to answer them.

Mr. W. H. Lynch seconded the resolution, which was carried unanimously.

On the motion of the Chairman, seconded by Mr. R. J. Frecheville, the retiring directors (Mr. A. C. T. Veasey and Mr. A. H. Young) were re-elected, and the auditors (Messrs. Evans, Fripp, Deed and Co.) were reappointed on the motion of Mr. J. S. Wetzlar, seconded by Mr. C. W. Moore.

A hearty vote of thanks was accorded to the Chairman and directors, and the meeting terminated.

**BANK OF ROMANIA.**—The following resolution, moved by the Chairman at the meeting held on June 23, was omitted from the report that appeared in our issue of last week:—

"That the report and balance sheet now read be received and adopted; that the sum of £2,171 8s. 10d. be placed to the credit of the Reserve Fund; that the dividend for the year ended December 31, 1914, be fixed at 6s. per share, free of English income tax; and that this dividend be paid on and after July 2, 1914."

Mr. E. W. H. Barry seconded the motion, which was carried unanimously.

**Rubber Producing Companies.**—A new edition of this work, dealing with the plantation rubber industry, and initiated by Messrs. Gow, Wilson and Stanton, has been issued this week. It is compiled by the Mincing Lane Tea and Rubber Brokers' Association, and the last edition was in 1913. Particulars are given of some 526 companies, having an aggregate issued capital of £57,361,000. In general, beyond the *personnel* and finance, the information as to each undertaking includes a yearly record of production for several years past, and includes also the results secured, the total area of estates, the amount planted, and what is remaining to be dealt with. Published by the *Financial Times* at 3s. net.

## MISCELLANEOUS.

**DELAHAYE AND CO.**—Interim dividend of 6½ per cent. on the Ordinary shares on account of the year 1914.

**GENERAL LIFE ASSURANCE COMPANY.**—Dividend at the rate of 10 per cent. per annum for half-year.

**HUDSON'S BAY COMPANY.**—The sales of farm lands by the Hudson's Bay Company for the quarter ended June 30 amounted, approximately, to 8,600 acres for £31,100, as compared with 4,200 acres for £16,400; and the sale of town lots to £2,060, as compared with £3,400 for the corresponding period of 1914. The receipts are £43,400, as against £36,500 in 1914.

**HALIFAX AND DISTRICT PERMANENT BANKING COMPANY.**—Dividend for half-year at the rate of 15 per cent. per annum, making, with the 15 per cent. per annum paid in January last, 15 per cent. for the year.

**LIEBIG'S EXTRACT OF MEAT COMPANY.**—Additional dividend of 10 per cent. and a bonus of 2s. 6d. per share on the Ordinary shares for the year ended March 31, 1915, making a total dividend for the year of 22½ per cent., free of tax.

**HARRISONS AND CROSFIELD.**—Dividend on the "old" Cumulative Preference shares at the rate of 5½ per cent. per annum for the three months ending July 15, and at the same rate on the shares of the new issue on the amount of capital paid up for the time being, calculated from date of allotment.

**INDEMNITY MUTUAL MARINE ASSURANCE COMPANY.**—Interim dividend of 7s. per share, less tax.

**KAMINISTQUIA POWER COMPANY.**—Dividend of 1½ per cent. on Common stock for quarter ending July 31.

**MANCHESTER SHIP CANAL SHAREHOLDERS' ASSOCIATION.**—A circular has been issued to the shareholders of the Manchester Ship Canal Company, pointing out that the Association has been formed by a number of shareholders who are dissatisfied with the financial results and working of the Ship Canal. One good reason for such an Association is the fact that, although for upwards of 21 years the Ship Canal has been in operation, it has failed to return any dividend upon its eight millions of share capital. Under the present system of control there is no prospect of any satisfactory return being made to the shareholders. The Canal has benefited Manchester and other local corporations, merchants, property and land owners, shipowners, carriers, &c., the persons who have not received any return being the unfortunate shareholders. The growing traffic of late years has proved delusive, and as increased receipts are swallowed up by extra expenses the shareholders are worse off than ever. When the present market values of our shares are considered—viz., £10 Preference share at 28s., £10 Ordinary share at 20s.—surely it is time we all bestirred ourselves to increase the value of our property. Therefore, a new policy in the interests of all concerned has become imperative, and it is only by combination and organisation that our financial redemption will be accomplished. It may be deemed necessary by the shareholders to requisition the Company to convene an extraordinary general meeting with the view of obtaining an independent expert inquiry into the past and present, and suggestions for the future, financial and working arrangements of the Canal, and the issuing of a report thereon to the general body of shareholders. There are upwards of 30,000 persons on the register—a patient and silent multitude. It is in order that these can make their complaints manifest, and their strength effective, that we publish this invitation for you to join the Association. Provided with an efficient organisation, we can and will accomplish the end we have in view—viz., the prosperity of the Canal and its shareholders. This circular is signed, on behalf of the Committee, by P. Vaughan Jones, Chairman; Chas. T. Broxup, M.Inst.C.E., Vice-Chairman; Henry Santon, Hon. Treasurer; Herbert W. Porritt, Secretary.

**NEUCHÂTEL ASPHALTE COMPANY.**—Dividend of 6d. per Ordinary share of £1 for the year 1914.

**STUTTAFORD AND CO.**—Interim dividend of 3 per cent. upon Ordinary shares.

**TRUSTEES, EXECUTORS AND SECURITIES INSURANCE CORPORATION.**—Dividend on the Ordinary stock at the rate of 6 per cent. per annum, less tax, for the half-year to May 31 last, making a distribution at the rate of 5 per cent. for the year.

**ABBONTIAKOON.**—Issued capital, £625,457 10s., in 10s. shares. Loans remaining to be cleared off, about £20,000. Crushing recommenced July 1914, with new plant of 25 stamps and two tube mills.

Year ends	Tons Milled	Gold Value		Total Expenses		Profit		Price of Shares end of Period
		£	Per Ton	£	Per Ton	£	Per Ton	
Dec. 31								
1912 (6 mos.)	46,415	79,284	34.2	70,469	30.4	8,875	3.8	6.3
1913	108,500	235,628	43.5	146,687	27.0	88,941	16.5	7.6
1914	131,762	253,757	39.6	169,229	25.9	84,523	12.9	—
1915.								
Mar. qtr.	32,989	59,497*	36.1	42,819	26.0	16,678	10.1	8.9
Apr.	10,829	25,888†	47.9	14,279	26.4	11,609	21.5	9.3
May	11,554	21,888	37.11	15,245	26.5	6,643	11.6	8.9

\* Includes £13,837 from tube mill.

† Includes £10,023 from tube mills.

Dividends—Account 1914, May, 6d.; Nov., 6d.; Dec., 6d.; June, 6d. Total, 2s.

**ABOSSO GOLD.**—Issued capital, £400,000, in £1 shares.

Year ends	Stps.	Tons Milled	Value		Estimated Expenses		Approximate Profit		Price end of Period
			£	Per Ton	£	Per Ton	£	Per Ton	
1913-14	39av.	87,752	152,303	34.8	122,109	27.9	26,985	6.11	8½
1914-15.									
Sept. qtr.	40	24,709	45,785	37.1	39,515	31.11	2,996	2.5	—
Dec. qtr.	—	23,535	49,974	35.1	38,736	27.2	7,428	5.2	—
Mar. qtr.	—	26,215	44,182	33.8	34,293	26.2	8,262	6.4	—
Apr.	—	9,303	15,539	34.4	11,851	25.6	2,734	5.11	—
May	—	9,121	13,519	29.7	—	—	—	—	8.9

\* After allowance for depreciation and taxes.

Dividends per cent.—1912, Dec., 5; 1913, Oct., 5.

**LONDON BANK of AUSTRALIA LIMITED.**

71 Old Broad Street, E.C.

Subscribed Capital ...	£1,376,747 10 0
Paid-up Capital ...	669,587 10 0
Reserve Fund and Undivided Profits ...	328,317 13 0
Reserve Liability of Depositors ...	697,160 0 0

Remittances made by Cable Transfers, Letters of Credit and Commercial Notes issued upon Branches and Agents. Bills on Australia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking Business conducted with Australia.

**UNION BANK OF CANADA.**  
Incorporated 1865. Head Office, WINDSOR.

Paid-up Capital ...	\$5,000,000
Reserve and Undivided Profits ...	3,000,000
Total Assets over ...	\$8,000,000

The Bank has over 300 Branches in CANADA and Agents in the principal Cities in AMERICA.

LONDON COMMITTEE: J. Joseph Wood, Esq., C.M.G.; Hon. Sidney Peel; D. W. Ashie, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to LONDON OFFICES: 6 PRINCE STREET, E.C. 26 HAYMARKET, S.W.

**NETHERLANDS BANK OF SOUTH AMERICA.**

Amsterdam, Holland ... £750,000  
Subscribed Capital ... £210,000

HEAD OFFICE: AMSTERDAM.  
LONDON AGENTS: E. C. WINGFIELD & CO., Ltd.  
LONDON MANAGER: J. GOSLIP, Esq.

All business of Bankers transacted with South America transacted on terms which may be ascertained on application.

**LONDON AND BRAZILIAN BANK, LIMITED.**

7 Tokenhouse Yard, E.C.

SUBSCRIBED CAPITAL, 125,000	£2,500,000
PAID-UP CAPITAL ...	1,500,000
RESERVE FUND ...	1,000,000

Branches in Brazil at Recife, Pernambuco, Para, Ceara, Minas, Maranhao, Bahia, Santos, Sao Paulo, Curitiba, Rio Grande do Sul, Porto Alegre, Ponta Grossa, Baurista, Acre, Roraima, and Montes das United States, New York, America, Caracas, Porto Rico, San Juan, Portland, London and Toronto.

Agents or Correspondents in all the principal cities of Brazil, Uruguay, Argentina, the United States and Europe.

Issue Letters of Credit, and Cable Transfers issued on Branches and Agents. Bills of Exchange negotiated or sent or collection, and every description of Banking Business undertaken.

**BANK of NEW SOUTH WALES.**  
Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital	£3,500,000
Reserve Fund	2,550,000
Reserve Liability of Proprietors	3,500,000
	£9,550,000



The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

DAVID GEORGE, Manager.

**THE ANGLO-EGYPTIAN BANK, LIMITED.**

SUBSCRIBED CAPITAL ... £1,500,000.  
PAID UP, £500,000. RESERVE FUND, £680,000.

BRANCHES: Alexandria, Cairo, Beni-Suef, Mansourah, Port Said, Tantah, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England. The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, issues Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4 per cent. per annum.

On current accounts, Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £100.

27 Clement's Lane, Lombard Street, E.C.

**THE ANGLO-SOUTH AMERICAN BANK, LIMITED.**

Authorized Capital -	
Subscribed ...	£1,500,000
Unissued ...	500,000
	£2,000,000
Capital Issued and Paid up ...	£2,250,000
Reserve Fund ...	1,400,000
Uncalled Liability of Shareholders ...	2,250,000
Total responsibility for Creditors ...	£5,900,000

Head Office: OLD BROAD STREET, LONDON, E.C.  
Paris Branch: 19 Boulevard des Capucines, 23 Rue de la Paix.

Hamburg Branch: 3 Adolphsplatz.  
New York Agency: 69 Wall Street.

Branches and Correspondents in all the principal places of South America.

Cable Transfers, Drafts, and Letters of Credit issued. The Purchase and Sale of Funds, the receipt of Dividends, the negotiation and collection of Bills of Exchange, Coupons, and Drawn Bonds, and other Banking Business undertaken with all parts of South America.

Current Accounts opened and Deposits received for fixed periods on terms which may be ascertained on application.

**PRUDENTIAL ASSURANCE COMPANY, LIMITED.**

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED -	£90,000,000
CLAIMS PAID -	£118,000,000

**THE FINANCIAL POST OF CANADA,**

"The Canadian Newspaper for Investors."

Is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

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FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

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HEAD OFFICE—TORONTO, CANADA.

**LIVERPOOL COURIER**

The newspaper of the business man of Lancashire and Cheshire. No business house of any standing is without it.



The organ of the wealthy classes of the North-Western Counties and of North Wales. Its influence is wide and far reaching.



It is the best provincial medium for all classes of financial advertising. Investors in a wide area can only be thoroughly reached through its columns.

An application to the London Manager, 187 Fleet Street, E.C., will bring details of Charges. Private wire to Liverpool is open day and night.

**The Liverpool Courier**

## BANK OF MONTREAL

Established in 1817.

Capital Paid up, \$16,000,000.

Reserve Fund, \$16,000,000.

Undivided Profits, \$1,252,864.

H. V. Meredith, Esq., President.

R. B. Angus, Esq., E. B. Greenhalghs, Esq., Sir William Macdonald, Hon. Robert Mackay, Sir Thos. Shaughnessy, K.C.V.O., C. R. Hosmer, Esq., A. Baumgarten, Esq., C. B. Gordon, Esq., H. R. Drummond, Esq., D. Forbes Angus, Esq., William McMaster, Esq.

Head Office: Montreal.

General Manager: Sir Frederick Williams-Taylor. J.L.D. Assistant General Manager: A. D. Braithwaite, Esq.

Branches and Agencies throughout Canada and Newfoundland; also at New York, Chicago and Spokane in the United States, and at Mexico City.

LONDON OFFICES:

47 Threadneedle Street, E.C., and

9 Waterloo Place, Pall Mall, S.W.

London Committee: Sir Thomas Skinner, Bart., A. Maenider, Esq.

Manager: George Cyril Cassels.

Financial Agents of the Government of the Dominion of Canada.

The Bank undertakes monetary business with all parts of Canada, Newfoundland and the United States, and issues Sterling and Currency Drafts and Cable Transfers.

## THE ROYAL BANK OF CANADA.

Capital Authorised - \$25,000,000

Capital Paid up - \$11,560,000

Reserve Funds - \$13,000,000

Aggregate Assets - \$180,000,000

Head Office - MONTREAL.

Sir HERBERT S. HOLT, E. L. PEASE,

President, Vice-President and General Manager.

340 Branches in Canada and Newfoundland.

28 Branches in Cuba, Porto Rico and Dominican Republic.

BRANCHES IN BRITISH WEST INDIES.

ANTIGUA - St. John's; BAHAMAS - Nassau; BAR-

BADOS - Bridgetown; DOMINICA - Roseau;

GBENADA - St. George's; JAMAICA - Kingston;

ST. KITTS - Basseterre; TRINIDAD - Port of Spain;

San Fernando.

Branch in British Honduras - BELIZE.

Branches in British Guiana - GEORGETOWN, NEW

AMSTERDAM, ROSE HALL.

New York Agency, Corner William & Cedar Streets.

LONDON OFFICE:

2 Bank Buildings, Princes Street, E.C.

JAMES MACKIE, Joint Manager.

## The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,356

Reserve Fund & Undivided Profits (\$7,245,140) £1,488,727

Head Office: Montreal.

PRESIDENT - SIR H. MONTAGU ALLAN, C.V.O.

VICE-PRESIDENT - K. W. BLACKWELL.

GENERAL MANAGER - E. P. HERDEN.

This institution has 209 Branches and Agencies extending from the Atlantic to the Pacific (92 being in the Western Provinces).

Every facility offered to the business of immigrants; Savings Department at all Branches, where interest is allowed at 3 per cent. per annum.

Drafts sold available in any city or banking town in the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.

The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable Transfers available at any banking point in Canada.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorized Capital, £1,000,000; Subscribed Capital, £625,000.

Paid-up Capital £500,000

Reserve Fund 510,000

£1,010,000

Uncalled Capital 125,000

Reserve Liability of Shareholders 625,000

£1,760,000

London Office - 11 LEADENHALL ST., E.C.

Bills on America purchased or collected.

Drafts issued, and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## The BANK OF TAIWAN, LTD.

(Incorporated by the Special Charter of the Imperial Japanese Government, 1889.)

Head Office: TAIPEH, FORMOSA.

BRANCHES: -Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-Kong, Kluklang, Shanghai, Singapore, Swatow, and every Important City in Formosa (Taiwan), &c.

The Bank is authorised TO ISSUE ITS OWN NOTES in Formosa, conducts GENERAL BANKING AND EXCHANGE BUSINESS, has CORRESPONDENTS at principal commercial centres, and offers SPECIAL EXCHANGE FACILITIES for Japan, Formosa, China and the Straits Settlements.

London Office: 58 OLD BROAD STREET, E.C.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised ... £1,500,000

Capital Issued ... 1,125,000

Capital Paid Up ... 562,500

Reserve Fund ... 500,000

Branches:

INDIA, BURMAH, CEYLON STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Deposits received for one year at 4½ per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum or daily balances.

## NATIONAL BANK OF NEW ZEALAND

LIMITED.

HEAD OFFICE - LONDON.

AUTHORISED CAPITAL ... £3,000,000

SUBSCRIBED CAPITAL ... 2,250,000

PAID-UP CAPITAL ... 750,000

RESERVE FUND ... 665,000

UNCALLED CAPITAL ... 1,500,000

Reserves Deposits of £50 and upwards, for 1, 2 or 3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances granted, and Bills on New Zealand purchased or sent for collection.

H. TRESHWATER, Secretary and London Manager.

17 Moorgate Street, London, E.C.

## THE EASTERN BANK, LIMITED.

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD VALEOF OF BURLINGHAM, K.T.

(Chairman).

Sir JACOB E. SARSON, Bart. EMILE FRANQUET, Esq.

J. C. GEORGES BOULLAT, Esq. J. S. HASKELL, Esq.

G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq.

C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

P. H. STUTON, Manager.

## BANCO ESPAÑOL DE LA ISLA DE CUBA.

ESTABLISHED 1856.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,740,000

Assets - \$39,354,000

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKVEREIN.

KLEINWORT, SONS & Co.

LLOYDS BANK LTD.

## THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000

SHAREHOLDERS' LIABILITY ... \$3,000,000

SURPLUS AND PROFITS ... \$6,880,000

President - E. F. SHANBACKER.

Vice-President - JAMES HAY.

Vice-President - FRANK G. ROGERS.

Cashier - R. J. CLARK.

Assistant Cashier - W. A. BULKLEY.

Assistant Cashier - W. K. HARDT.

Assistant Cashier - C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address - London Agents -

"FOURBANK," SAMUEL MONTAGU & CO.

LONDON CITY AND MIDLAND BANK, LTD.

LLOYDS BANK LTD.

## NATIONAL BANK OF INDIA, LIMITED.

Bankers to the Government in British East Africa and

Ceylon.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya	
Bombay	Chittagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Mandalay	Nairobi	British
Canton	Aden and	Nakuru	East
Lahore	Aden Point	Kisumu	Africa
Amritsar	Colombo	Entebbe	
Delhi	Kandy	Kampala	Uganda
Tuticorin		Junja	

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS - Bank of England; National

Provincial Bank of England, Limited; National Bank

of Scotland, Limited.

The Bank conducts every description of Eastern

Banking business.

Deposits received for fixed periods at rates to be

obtained on application. Interest payable June 30

and December 31.

Current accounts are opened, and provided they do

not fall below £200 interest is allowed on the minimum

monthly balances at the rate of 2 per cent. per annum.

## THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which are incorporated the Bank of Africa,

Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South

Africa in the Transvaal, Natal and Orange Free State.

Bankers to the Imperial Government in South Africa.

London Offices - Circular Place, London Wall, E.C., and

117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of

South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and

all descriptions of Banking business connected with

South Africa and the Belgian Congo transacted on

terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

## RUSSIAN & ENGLISH BANK

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000

Reserve Fund, £126,000.

English Members of the Council of the Bank -

Lord Balfour of Burleigh, K.T., Rt. Honble. Austen

Chamberlain, M.P., Sir Ian H. Amory, Bart.

The Bank transacts every description of Banking

business, collects Cheques, Bills, Documentary Bills

in all parts of the Russian Empire. Undertakes the

Agency of Banks and the purchase and sale of Russian

Stocks and Shares.

London - Boulton Bros. & Co., 39 Old Broad St., E.C.

Agents - Lloyds Bank Limited and Branches.

Telegraphic Address: Britorusse, Petrograd.

# The Statist,

A Journal of Practical Finance and Trade.

REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

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SATURDAY, JULY 10, 1915.

PRICE 6d.,  
[ POST FREE 6d. (U.K.) ]

## SALES BY AUCTION.

**JOHN HOARE AND CO.**  
will Offer for SALE by PUBLIC AUCTION  
at the WOOL EXCHANGE, Coleman Street,  
E.C., on Saturday, 3 July, Tuesday, 13 July,  
Thursday, 22 July, Tuesday 27 July—  
13,500 Bales AUSTRALIAN WOOL  
1,800 „ PUNTA ARENAS „  
200 „ PERUVIAN „  
1,500 „ ENGLISH WOOL specially  
classified

Catalogues in due course of JOHN HOARE  
and CO., 73 Basinghall Street, London, E.C.

## BANCO DE CHILE.

London Agency—  
54 GRACECHURCH STREET, E.C.  
Chilian Dollars.  
Paid-up Capital ... \$40,000,000  
Reserve Fund ... 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.  
The London Agency transacts every class of Bank-  
ing business with Chile. Current accounts also  
opened and deposits received.

## NATIONAL BANK OF EGYPT.

Established by Khedival Decree, June 1898, with  
the exclusive right to issue  
Notes payable at sight to bearer.)  
Capital, £3,000,000 (in 300,000 Shares of £10 each,  
fully paid.) Reserve Fund, £1,500,000.  
Governor: F. T. Rowland, Esq. Head Office: Cairo.  
London Committee  
E. W. P. Foster, C.M.G. Hon. Algernon Mills.  
Hon. Hugo Baring. Sir Carl Meyer, Bart.  
Hon. Sidney Peel.  
LONDON AGENCY:  
3 & 4 LOTHBURY, LONDON, E.C.  
Manager: J. T. Beatty-Pownall.  
Assistant Manager: A. F. Gillbee.

Accounts opened with traders and private persons.  
Circular Notes issued. Every kind of Banking  
business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria,  
Assiout, Assuan, Benha, Beni-Suef, Chibin-El-  
Kom, Damanhur, Fayoum, Keneh, Luxor, Man-  
soura, Minieh, Mousky (Cairo), Port Said, Sohag,  
Tantah and Zagazig; and in the Sudan at Khartoum,  
Port Said and Suakim

## UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.  
Paid-up Capital ... \$5,000,000  
Rest and Undivided Profits ... \$3,600,000  
Total Assets over ... \$80,000,000  
The Bank has over 300 Branches in Canada and  
Agents in the principal Cities in AMERICA.  
London Committee:  
J. Leigh Wood, Esq., C.M.G.;  
Hon. Sidney Peel; F. W. Ashe, Esq.  
Deposits received for fixed periods at favourable  
rates, which may be ascertained on application to  
LONDON OFFICES: 6 PRINCES STREET, E.C.  
26 HAYMARKET, S.W.

## THE YOKOHAMA SPECIE

BANK, LIMITED.  
Registered in Japan. Established 1880.  
Subscribed Capital ... Yen 48,000,000  
Capital Paid up ... „ 30,000,000  
Reserve Fund ... „ 19,600,000  
HEAD OFFICE: YOKOHAMA.  
Branches and Agencies at  
Antung-Hsien Kobe New York  
Bombay Liao Yang Osaka Peking  
Calcutta London Ryojun Port  
Changchun Los Angeles Arthur  
Dairen (Dalny) Lyons San Francisco  
Hankow Fengtien Shanghai  
Harbin (Mukden) Tientsin  
Hong Kong Nagasaki Tientsin  
Manchuria Newchwang Tsingtau  
The Bank buys and receives for Collection Bills  
of Exchange, issues Drafts and Telegraphic Trans-  
fers and Letters of Credit on above places and else-  
where, and transacts General Banking Business.  
Deposits received for fixed periods at rates to be  
obtained on application.  
K. TATSUMI, Manager.  
London Office—  
7 Bishopsgate, E.C.

## THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... £3,703,704  
RESERVE FUND ... £1,033,410  
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Telegraphic Transfers and Remittances made to  
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Purchase and Sale of Stocks and Shares. Divi-  
dends Collected. Drafts issued on all parts of the  
world. Also Circular Letters of Credit.  
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changed, approved Bills negotiated, Bills collected  
on the most favourable terms.  
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on terms which may be ascertained on application.

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Guaranteed by the Australian Government.  
Branches and Agencies throughout  
Australasia.  
Bills Negotiated and Collected. Drafts and Letters  
of Credit Issued. Remittances cabled or mailed.  
Current Accounts opened. Deposits accepted for  
fixed periods, and BANKING BUSINESS of every  
description transacted with Australia.  
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Agencies at 2,034 Post Offices throughout Australia.  
Special facilities for the remittance of Settlers' funds.  
London Office:  
36-38 NEW BROAD STREET, E.C.  
C. A. B. CAMPION, Manager.

## STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South  
Africa in Cape Province; to the Imperial Govern-  
ment in South Africa; and to the Administration  
of Rhodesia.  
SUBSCRIBED CAPITAL ... £6,194,100  
PAID-UP CAPITAL ... £1,548,525  
RESERVE FUND ... £2,000,000  
UNCALLED CAPITAL ... £4,645,575  
£8,194,100

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K.C.S.I., K.C.M.G. Right Hon. Lord  
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OVER 200 BRANCHES AND AGENCIES IN  
SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS  
transacted with the Cape Province, Natal, Orange  
Free State, Transvaal, Rhodesia, Nyasaland,  
East Africa Protectorate, Uganda, Zanzibar,  
Portuguese East Africa, and the Belgian Congo,  
and the Bank's Agencies in Hamburg, New York,  
and elsewhere.

CURRENT ACCOUNTS are opened on the usual  
terms.  
DEPOSITS RECEIVED for fixed periods at rates  
which may be ascertained on application.  
BILLS NEGOTIATED and COLLECTED.  
MAIL and TELEGRAPHIC REMITTANCES made.  
LETTERS OF CREDIT and DRAFTS granted on  
the Branches and Agencies of the Bank.  
THE BANK ISSUES CIRCULAR LETTERS OF  
CREDIT available in all parts of the World.  
COMMERCIAL LETTERS OF CREDIT issued.  
PURCHASE and SALE of Stocks and Shares effected.  
DIVIDENDS, ANNUITIES, ETC., received.  
EXECUTOR and TRUSTEE Business undertaken.  
The Officers of the Bank are bound not to disclose  
the transactions of any of its customers.  
NOEL JENNINGS, London Manager.

## BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.  
City Office: 1 Old Broad St., E.C.  
LONDON West-End Agency: 12 Waterloo Place,  
Regent St.  
Paid-up Capital, £6,240,000. Reserve, £2,378,800.  
Manager—E. Consolo.  
Sub-Managers—A. Rossi.  
R. B. Handley.  
G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari,  
Biella, Bologna, Brescia, Cagliari, Catania, Como,  
Florence, Genoa, Leghorn, Messina, Naples, Padua,  
Palermo, Parma, Perugia, Pisa, Rome, Salerno,  
Sassari, Savona, Sestri Ponente, Syracuse, Turin,  
Venice, Verona; AND AGENCIES IN NUMEROUS  
OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN  
TREASURY.  
Agents in London for:—BANQUE FRANÇAISE  
et ITALIENNE POUR L'AMERIQUE DU SUD,  
Buenos Aires, Rio de Janeiro, San Paulo, Santos  
&c., and  
SOCIETÀ COMMERCIALE D'ORIENTE,  
Milan and Tripoli.  
Agents and Correspondents in all parts of the world.

## BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000  
Reserve Fund ... £P.300,000

BRANCHES IN:  
Piura, Callao, Mollendo,  
Chiclayo, Cerro de Pasco, Arequipa,  
Pacasmayo, Chincha Alta, Curco,  
Trujillo, Ica, Iquitos,  
Huaras, Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers  
issued. Bills negotiated, advanced upon, or sent  
for collection.

London Agents: The Anglo-South American  
Bank, Ltd., Old Broad St., London, E.C.

## LONDON BANK of AUSTRALIA LIMITED

71 Old Broad Street, E.C.  
Subscribed Capital ... £1,276,747 10 0  
Paid-up Capital ... 669,587 10 0  
Reserve Fund and Undivided  
Profits ... 328,317 13 0  
Reserve Liability of Proprietors 607,160 0 0  
Remittances made by Cable. Drafts, Letters of  
Credit and Circular Notes issued upon Branches  
and Agents. Bills on Australasia negotiated or sent  
for collection. Deposits received for periods and  
at rates which may be ascertained on application,  
and every description of Banking business con-  
ducted with Australia.

## HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... \$15,000,000  
RESERVE FUNDS.  
STERLING RESERVE,  
held in London at Ex-  
change of 2s. per \$  
= £1,500,000 Sterling,  
invested in Consols  
and other Sterling  
Securities ... \$15,000,000  
SILVER RESERVE ... 18,000,000  
\$33,000,000

RESERVE LIABILITY OF PRO-  
PRIETORS ... \$15,000,000  
COURT OF DIRECTORS and HEAD OFFICE  
IN HONGKONG.

LONDON COMMITTEE.  
Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.  
Deposits received for fixed periods at rates which  
can be ascertained on application. Interest payable  
June 30 and December 31.  
Sir CHARLES ADDIS, Managers  
H. D. C. JONES, in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.  
9 Gracechurch Street, London, E.C.

# CANADA. THE DOMINION BANK.

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000.

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.  
C. A. BOGERT, General Manager.

## LONDON BRANCH, 73 CORNHILL, E.C.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.  
General Banking Business transacted. Information  
furnished regarding Canadian matters.

## THE UNION BANK OF MAN- CHESTER, LIMITED.

A Dividend at the rate of 1½ per cent. per annum (being 15s. 9d. per Share), less Income Tax, has been declared on the present paid-up Capital of this Company (viz. 411 per Share) for the half year ended 30th June last, and will be payable on and after Thursday, the 8th instant.

P. FORRESTER, General Manager.

Manchester, 2nd July, 1915.

N.B. The Transfer Books are Closed till after the 8th instant.

## PARKERS BURSLEM BREWERY, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Ordinary Shares and Preference Shares of this Company will be Closed from the 15th inst. to the 29th inst., both days inclusive.

W. A. COWLISHAW,  
Secretary.

Dated Burslem, July 2nd, 1915.

## ASHANTI GOLDFIELDS CORPORATION, LIMITED.

NOTICE IS HEREBY GIVEN that a Dividend (No. 29) of 25 per cent. (1s. per Share), less Income Tax at 2s. 6d. in the £, has this day been declared on the issued Shares of the Corporation and will be payable on August 12th, 1915, to Shareholders registered on July 10th, 1915.

The Transfer Books will be Closed from July 12th to July 19th, both dates inclusive, for the preparation of Dividend Lists, Warrants being posted on August 11th.

By Order of the Board,

HORACE MORGAN,

Secretary.

Registered Office:

6 Southampton Street,  
Holborn, London, W.C.,  
6th July, 1915.

## LA ROSE CONSOLIDATED MINES COMPANY.

The Board of Directors has today declared: Quarterly Dividend of 1 per cent., payable July 20th, 1915, to Shareholders of record of June 30th, 1915. The Transfer Books of the Company will Close June 30th, 1915, and Reopen July 19th, 1915.

S. J. LEHURAY,

Secretary and Treasurer.

201 Inspector Street, Montreal,  
June 18th, 1915.

## THE MEXICAN CENTRAL RAILWAY SECURITIES COMPANY, LIMITED.

"A" AND "B" DEBENTURES AND  
DEBENTURE STOCK.

The Directors regret to announce that owing to the continued political disturbance in Mexico, and the failure of the National Railways of Mexico, Limited, to pay interest upon the securities lodged with the Trustees of the above Debentures and Debenture Stocks, they are unable to make provision for payment of the Half-year's Interest due 15th inst.

By Order of the Board,

FREDK. M. SPANKIE,

Secretary.

78 Gracechurch Street, London, E.C.,  
6th July, 1915.

## LONDON & SOUTH-WESTERN RAILWAY COMPANY.

CLOSING OF TRANSFER BOOKS

NOTICE IS HEREBY GIVEN that the Books kept by the Company for the registration of Transfers of Stock will be Closed from the 15th July to the 6th August next, both days inclusive.

G. KNIGHT, Secretary.

Waterloo Station, London,  
7th July, 1915.

## LONDON CHATHAM & DOVER RAILWAY COMPANY.

NOTICE IS HEREBY GIVEN that the Registers of Transfer of the Company will be Closed from the 19th day of July to the 31st day of July, both days inclusive.

By Order,

L. W. LIVESEY, Secretary.

Victoria Station, London,  
8th July, 1915.

## THE GREAT WESTERN OF BRAZIL RAILWAY COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that the Permanent Six per Cent. Debenture Stock Transfer Books of the Company will be Closed from the 17th to the 30th July, 1915, both days inclusive, for the purpose of preparing Warrants for the interest payable the 3rd August, 1915.

By Order of the Board,

H. TATTAM, Secretary.

Offices of the Company:  
River Plate House,  
10-11 Finsbury Circus, London, E.C.

## CITY OF FORT WILLIAM FOUR-AND-A-HALF PER CENT. DEBENTURES.

The Coupons falling due 1st August, 1915, on the above-mentioned Debentures may be presented on and after the 19th inst., between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle Street, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,

G. C. CASSELS, Manager.

47 Threadneedle Street, E.C.,  
7th July, 1915.

## NATIONAL TRUST COMPANY, LTD.

HEAD OFFICE: TORONTO, CANADA.

BRANCHES:

Montreal, Winnipeg, Regina, Saskatoon, Edmonton.

Paid-up Capital - \$1,500,000.  
Reserve Fund - \$1,500,000.

Acts as Executor and Trustee and, as Agent for clients and corporations, invests funds in carefully selected First Mortgages on farms and improved city properties in Canada—Exceptional facilities offered for investing British Capital—Also Guaranteed Trust Investments.

Correspondence invited

28 Bishopsgate, London, E.C. A. L. NUNNS,  
London Representative.  
References: Bank of Scotland Canadian Bank of Commerce.

## B.I. REGULAR SERVICES TO

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GULF, EAST AFRICA, MAURITIUS,  
BURMAH, STRAITS, CHINA, JAPAN  
AND AUSTRALIA.

WELL-APPOINTED STEAMERS.

For further information please apply:—  
GRAY, DAWES & Co., 23 Great Winchester  
Street, E.C., and 16 Northumberland Avenue,  
W.C.; or GELLATLY, HANKEY & Co.  
Dock House, Billiter Street, E.C., and 62  
Pall Mall, S.W.

## THE STOCK EXCHANGE.

NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the  
Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

## TENDERS.

THE SOUTH INDIAN RAIL-  
WAY COMPANY, LIMITED, are prepared  
to receive Tenders for the supply of:

1. ROLLING-STOCK: Steelwheeled Goods  
Bogie Wagons, High-sided Bogie Wagons, and  
Bogie Timber Trucks.

2. ROLLING-STOCK: 50 ft. Bogie Carriage  
Underframes.

3. CARRIAGE FITTINGS: Wrought Iron and  
Steel, Hardware, Glass, Screws, and Sundries.

Specifications and Forms of Tender may be  
obtained at the Company's Offices.

Tenders, addressed to the Chairman and  
Directors of the South Indian Railway Company,  
Limited, marked "Tender for Rolling Stock,"  
or as the case may be, must be left at the  
Offices of the Company not later than One o'clock  
on Wednesday, the 21st July, 1915.

The Company is not bound to accept the  
lowest or any Tender.

A charge, which will not be returned, will  
be made of 20s. for each copy of Specification  
No. 1 and 10s. for each copy of Specifications  
Nos. 2 and 3. Copies of the drawings may  
be obtained on payment at the Office of Robert  
White, Esq., M Inst.C.E., Consulting Engineer  
to the Company, 3 Victoria Street, Westminster,  
S.W.

91 York Street, Westminster, S.W.,  
7th July, 1915.

NOTICE IS HEREBY GIVEN  
that the Transfer Books of the British  
Law Fire Insurance Company, Limited, will be  
Closed from the 15th July to the 31st July, both  
days inclusive.

## Ernesto TORNQUIST & CO. LDA.

BUENOS AIRES.

Established 1830.

Oldest Business Establishment in  
the River Plate.

CAPITAL FULLY PAID UP AND RESERVES,  
£2,325,036.

GENERAL FINANCIAL, BANKING  
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Mauritius,  
etc.

For sailings and other information  
apply to the Head Office, 3 Fenchurch  
Street, London. West-end Agency:  
Thos. Cook & Son, 125 Pall Mall, S.W.

# THE LONDON ASSURANCE.

Incorporated by Royal Charter A.D. 1720.

For FIRE, LIFE, MARINE, ACCIDENT, CAPITAL and LEASEHOLD REDEMPTION, BURGLARY and PLATE-GLASS Assurances.

Head Office—No. 7 ROYAL EXCHANGE, LONDON.

West-End Office—22 PALL MALL, S.W.

Governor—COLIN FREDERICK CAMPBELL, Esq.

Sub-Governor—ROBERT HENRY BRINSON, Esq.

Deputy Governor—CHARLES S. N. GUTHRIE, Esq.

Secretary—C. A. DENTON, Esq. Underwriter—E. F. NICHOLLS, Esq.

Manager of the Fire, Life and Accident Departments—JAMES CLAYES, Esq.

Actuary—A. G. HEMMING, Esq.

The Corporation has granted Fire, Life and Marine Assurances for nearly Two Hundred Years, and now also undertakes Capital and Leasehold Redemption, Burglary, Plate-Glass and Accident Business, including Liability to Employers in respect of Domestic Servants, Shop and Warehouse Assistants, under the Workmen's Compensation Act of 1906.

## THE OCEAN Accident and Guarantee Corporation, Limited.

Assets - - £3,000,000  
Claims paid - £12,500,000

Accident Insurance of all kinds.  
Employers' Liability, Fidelity Guarantees.  
Fire and Burglary. Public Liability.  
Motor Car, Excess Bad Debt and Credit.  
Boller and Lift Insurance.  
Executorships and Trusteeships.

Head Office: MOORGATE STREET, LONDON.

T. M. E. ARMS-STRONG, Manager and Secretary.

## BRITANNIC ASSURANCE CO., LTD.

ORDINARY BRANCH—Whole-Life Assurances, with and without profits.  
Endowment Assurances, with and without profits.  
House Purchase in combination with Life Assurance.  
INDUSTRIAL BRANCH—Adult Assurances, Whole Life and Endowment.  
Children's Assurances, Whole Life and Endowment.

OVER £10,120,000 PAID IN CLAIMS.

FUNDS EXCEED £3,793,000.

Agents required in all parts of the United Kingdom, splendid opportunities for energetic men.

Chief Offices: BROAD STREET CORNER, BIRMINGHAM.

## LONDON & MANCHESTER ASSURANCE COMPANY, LIMITED.

Chief Office - 50 FINSBURY SQUARE, LONDON, E.C.

Allied with National Amalgamated Approved Society for National (Health) Insurance.

PREMIUM INCOME exceeds ... £700,000  
FUNDS exceed ... £1,250,000

## SUBSCRIPTION TO "THE STATIST."

TO INCLUDE ALL SUPPLEMENTS.

Payable in Advance.

Inland.

ONE YEAR, £1 10 0 | HALF-YEAR, £0 15 0

(Post Free.)

For Colonies and Abroad (within Postal Union).

ONE YEAR, £1 17 4 | HALF-YEAR, £0 18 8

(Post Free.)

OFFICES: 51 Cannon Street, E.C.

## IMPORTANT NOTICE.

All Editorial communications should be addressed to the Editor.

Business communications should be addressed to the Manager,

THE STATIST,

51 Cannon Street, London, E.C.

## REFUGE ASSURANCE COMPANY Ltd.

Chief Office: OXFORD STREET, MANCHESTER.

Premium Income Exceeds - £3,500,000.  
Funds Exceed - £11,000,000.  
Claims Paid Exceed - £20,000,000.

## PEARL

### ASSURANCE COMPANY, LTD.

Chief Offices: High Holborn, W.O.

Annual Income ... £23,466,000  
Claims Paid exceed ... £16,000,000

Additional Representatives Wanted.

F. D. BOWLES, } Managing Directors.  
G. SHRUBSALL, }

## A Safe Five per Cent.

with Absolute Security of Capital and freedom from investment worries and expenses. Write for Leaflet "D.14" explaining this ideal form of Family Provision.

## The STANDARD LIFE Assurance Co. Estd. 1825.

Head Office: EDINBURGH: 3 George Street.

London: 83 King William Street, E.C.  
and 3 Pall Mall East, S.W. Dublin: 74 Dawson Street.

# The Statist.

LONDON, SATURDAY, JULY 10, 1915.

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## The Money Market.

Friday Evening, July 9, 1915.

Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	BANKS. NOTICE.	DEPOSIT RATES.	
			DISCOUNT.	NOTICE.
April 8, 1915 ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

Treasury Bills:—

	3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price...	£99 6s. 1½d.	£98 3s. 5½d.	£97 3s. 6d.	£96 5s. 0d.
Discount Rate	2½%	3½%	3½%	3½%

## Discount Rates:—

		60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills	...	4½	4½	4½	5
Trade Bills	...	—	4½-5	5-½	5½-¾

## DEARER MONEY.

THE discount market has sensibly hardened this week, and rates have now risen to 4½ per cent. for three months' bills, to 4½ to 4¾ per cent. for four months', and to 5 per cent. for six months'. This advance has in part been due to the great subscriptions to the War Loan, to the continued lowness of the American exchange, and to the absence of subscriptions to the Loan from the United States. The enormous payments that will be made to the Bank of England on July 20, when the Loan may be paid up in full under discount of 4½ per cent., will doubtless cause a great deal of money to be re-borrowed from the Bank of England. With respect to the gold shipments to New York, it is possible that now money is so plentiful in America, bankers there may be disposed to take payment for produce shipped in Treasury bills or in short-dated British Government securities. Whether they will do so or not has yet to be proved, and in the meantime the American exchange is at a figure which admits of gold shipments. Thus it is evident that now the loan is placed open market rates of discount are likely to be more firmly maintained than they have been since the War began.

If the subscriptions to the new Loan should be as great as anticipated, it would mean that as the instalments are paid up money will accumulate at the Bank of England with great rapidity, and that, even were the bankers to meet some of the calls out of the Treasury bills they now hold, they would still be indebted to the Bank. Only a part of the £250,000,000 of Treasury bills now in issue mature by October 31. On the other hand, the whole of the War Loan has to be paid up by that time. The Governmental expenditures may be at the rate of about £25,000,000 a week, which would mean that by the end of October the Government disbursements would amount to a sum of about £400,000,000. Against this has to be placed the revenue that would be collected from week to week, which, in rather over three months, would come to upwards of £50,000,000, so that the net disbursements may be calculated at about £350,000,000. If the subscriptions to the Loan were to reach £750,000,000, the sum paid into the Exchequer would be about £400,000,000 more than the sum which the Government would disburse on balance.

Even were the whole of the Treasury bills to be tendered for payment there would be a net sum of about £150,000,000 in the hands of the Bank. Arrangements have been made for placing whatever sum is needed at the service of bankers until it is required for disbursement by the Treasury at a rate ½ per cent. under Bank rate fluctuating, the arrangement to be for one year. That is to say, if the Bank rate remains at 5 per cent. the charge to bankers will be 4½ per cent. Hence it is obvious that they will not discount bills at less than 4½ per cent. when they themselves are paying 4½ per cent. interest. Moreover, having regard to the condition of the exchanges and the demand for gold for New York, the possibility cannot be altogether ignored of an advance in the Bank rate. In this case bankers would pay over 4½ per cent. for the money they may borrow. It will, of course, be realised that it is not desirable to permit the country's stock of gold to be unduly reduced at a time such as this for the sake of ½ per cent. or 1 per cent. interest. It is possible that a way may be discovered for making payments to the United States for the enormous quantity of goods we are buying from them without remitting gold, and that the Bank rate may not have to be raised beyond 5 per cent. Having regard to the whole situation, however, it is obviously undesirable

that open market rates of discount should not be permitted to fall below 4½ per cent., and that, indeed, they should be kept closer to the Bank's minimum of 5 per cent. in order to attract as much money as possible to this market, not only from the United States, but from other countries possessing surplus supplies.

## BIRMINGHAM CORPORATION BILLS.

For the £500,000 of twelve months' bills of the Corporation of Birmingham offered at the Bank of England on Monday last the applications reached £1,207,000. Tenders at £95 0s. 1d. received about 15 per cent.; above in full. The bills were disposed of at an average price of £95 3s. 0.18d., a sum equal to an average rate of discount of £1 16s. 11.82d. per cent.

## THE BANK OF ENGLAND.

THIS week the Bank of England has received £1,950,000 in gold from abroad, on the other hand it has lost £778,000 on home account, and there has been a net addition of £1,172,000, bringing the amount up to £53,264,000. As an expansion of £437,000 occurred in the note circulation the net addition to the reserve was £736,000, restoring the amount to £36,641,000. The proportion of reserve to liabilities has recovered from 16.16 per cent. to 17.63 per cent. In the absence of sales of Treasury bills the public deposits have declined £13,615,000 to £67,899,000. The "other" deposits were £795,000 lower at £139,859,000, the whole of the sums released from the Government balance having been used to reduce the Bank's holding of "other" securities by £14,996,000. The amount of these securities is now £137,918,000, and the amount of the Government securities £51,043,000. With "other" deposits at £139,859,000 it is obvious that bankers can provide a very large part of the sum needed to pay up the application money, as well as the amount that will be paid in full on July 20 out of their balances with the Bank of England. Indeed, it is evident that bankers will employ their balances much more fully and profitably in the coming half-year than they have done in the past half-year.

## MONEY IN NEW YORK.

AFTER recovering to 4 76½, the rate for sight drafts of New York on London has reacted, and, inasmuch as New York has not seen its way to participate in the new Loan, having regard to the income tax, the renewal of gold shipments is expected, unless other securities can be provided which do not bear income tax and which are attractive to American bankers. Money in New York is extraordinarily plentiful, and call loans can be obtained at 2 per cent., while time money can be had at 3 to 3½ per cent. The reserves of the New York banks, as usual, at the end of June have declined £1,800,000. On the other hand, loans have increased as much as £10,000,000, and with an increase of £10,000,000 in deposits the surplus reserve has declined £3,400,000 to £35,608,000. This amount is, of course, a great deal more than the country needs, especially having regard to the large unused reserves of the Federal reserve banks.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate	Par as usually quoted	Dis- count
London ... sight	\$4 76½	4 86½ dollars for £1	0
" ... cables	\$4 77½		20
" ... 60 days	\$4 72½		28
Amsterdam ... sight	100c.	40½ cents for 1 guilder	0
Berlin ... sight	81½c.	95 cents for 4 marks	10
Copenhagen ... cheques	26½c.	26½ cents for 1 kronen	10
Italy ... sight	6.111.	5.18 lire for \$1	17
Paris ... sight	5 65 fr.	5.18 francs for \$1	9
Petrograd ... sight	36 ½c.	51½ cents for 1 rouble	28
Mexico ... Mex. silver \$	38c. U.S.	50c. U.S. for 1 Mex. \$	22
Switzerland ... sight	5 39 fr.	5.18½ francs for \$1	10
Vienna ... sight	15 12c.	20½ cents for 1 kronen	25

Rates for prime commercial paper and for call loans in New York are as follows:—

July 8, 1915...	Prime paper ...	3-3½%	Call money ...	2%
July 9 1914...	" " ...	3½-4½%	" " ...	2%

### MONEY IN INDIA.

EXCHANGE IS WEAK, and the rate for transfers from Bombay has declined to Rs. 3 27/32. The applications for the 10 lakhs of Control drafts offered this week amounted to less than five lakhs, and under 20 lakhs were accepted. The supply of money in India is unusually abundant, the stocks of cash in the Presidency and other banks reaching enormous totals. This is indicated by a stock of coined silver in the Currency Department amounting to over 37 crores, and by a note circulation of 60 crores. Usually at this time of year the Indian Government issues its loans for capital purposes. Having regard to the existing situation, and the fact that the British Government is offering its loan on a 4½ per cent. basis, it has been decided to call a special conference at Simla on July 13, which will include the Controller of the Currency and representatives of the Presidency Banks, to consider special terms suitable to the present abnormal times for the successful flotation of a loan of 4½ crores. The rate of interest on investment securities is lower in India than in London, and there will be no difficulty whatever in placing the loan, the only question being the issue price. The present price in India of the 3½ per cent. loan is 90. It seems likely that the new loan will be issued on a 4½ per cent. basis.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent. (June 4, '15)

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, July 7, are:—

Rate.	BILLS.			Rate.	TELEGRAPHIC TRANSFERS.		
	Tendered.	Accepted.	%		Tendered.	Accepted.	%
1 3½	50,000	50,000	100	1 3½	1,80,000	1,80,000	100
1 3½	—	—	—	1 3½	2,50,000	—	—
Total ...	50,000	50,000	—	Total ...	4,30,000	1,80,000	—
Offered.				Tendered.			
Grand Total ... Rs. 10,00,000				Accepted.			
Rs. 4,80,000				Rs. 2,30,000			

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	Bills.				Telegraphic Transfers.		
	Rs.	Average.	Minimum.		Rs.	Average.	Minimum.
Calcutta ...	40,000	1/3.937	1/3½	1,80,000	1/3.963	1/3½	—
Madras ...	10,000	1/3.937	1/3½	—	—	—	—

The following Special Sale has since been made:—

	Rs.	At
Transfers on Bombay ...	2,50,000	1/4

From April 1 to July 6 inclusive the Council have granted remittances for Rs. 2,69,21,978, realising £1,792,508. Up to July 7 of last financial year the total Bills and Transfers sold was Rs. 4,19,73,332, realising £2,802,854. The total sales for the week ended July 6 amounted to Rs. 3,54,537, realising £23,586. The amount to be offered for tender next Wednesday will be 10 lacs.

### SILVER.

THE Silver market has again been weak, and the price has fallen from 22½d. to 22¼d. Early in the week the market was sustained by some purchases for China, but when this demand disappeared the price declined, as there were no buying orders from India.

	July 2	3	5	6	7	8	9
London ...	22½	22½	22½	22½	22½	22½	22½
India ...	Rs. 59½	59½	59½	59½	59½	59	59
Exchange	1/3½	1/3½	1/3½	1/3½	1/3½	1/3½	1/3½

## Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

	TICKET DAY.	PAY DAY.	CONSOLS.
Settlement	Tues., July 13	Wed., July 14	Thurs., Aug. 5
Days.	Wed., July 28	Thurs., July 29	—

It is desirable to sound a note of warning against the misuse of a facility intended for the public interest. It may be recalled that one of the conditions of the "old" War Loan was that facilities would be afforded holders of the Loan desiring cash accommodation to

effect a loan with the Bank of England by a deposit of scrip. The conditions of the borrowing were to be interest 1 per cent. under Bank rate, and amount lent to be up to £95, or the issue price, per £100 nominal scrip deposited. Persons who wish to effect borrowings in a *bona-fide* manner are not averse to giving chapter and verse for their action. But it may happen—indeed we have heard it has happened—that men of unscrupulous temperament are abusing the facilities afforded, and there are even loopholes for the perpetration of fraud. As the matter is of such delicate character we do not set out how the fraud can be perpetrated, but we would urge all brokers who are asked, by clients of whom they have little knowledge, to buy stock in blocks of large amount to take every safeguard possible, and assure themselves that the purchasers intend to make a right use of the stock they purchase. It behoves the Bank of England also to keenly investigate the *bona-fides* of those who present scrip of the old Loan for the purpose of effecting borrowing.

On June 24 the Stock Exchange Committee issued a notice as follows:—

"Dealings are not allowed in Rights of the New Securities of the above Loan until the subscription list at the Bank of England is closed."

On July 6 it substituted for the notice issued on June 24 the following:—

"Dealings are not allowed in the New Securities of the above Loan until the allotment by the Bank of England is complete, due notice of which will be given."

The condition of "until the allotment . . . is complete" is to be noted. Further, as we pointed out last week, there will be two forms of scrip, one *cum* and the other *ex* rights of converting old War Loan, Consols, or Annuities into new War Loan. In the circumstances, when dealings can take place, we shall have a slightly higher price for *cum* rights than for *ex* rights scrip.

If anyone who held Consols a hundred years ago had predicted that by less than three years later the price of then 3% Debt would have recovered from about 54 to over 84, he would have been regarded as a fit inmate for a lunatic asylum; yet the record of highest and lowest annual prices shows that such a movement in price occurred:—

	1815	1816	1817
Highest ...	Jan. 65½	May 64½	Dec. 84½
Lowest ...	June 53½	Jan. 59½	Jan. 62

Holders of present 2½% Consols are not all of the view that an individual inability to effect a conversion, because of want of resources to secure rights by investing in new War Loan, will in the end inflict a hardship. After peace is concluded there should be the outlook of the 4½ per cent. interest rate being lowered in 1925 and of an improvement in the capital value of 2½ cents.

## THE NATIONAL MUTUAL Life Assurance Society

Founded 1830.

(OF LONDON).

£3,139,517

### BONUS RESULTS.

	1903	1908	1913
Surplus .....	£160,974	£281,911	£341,098
Bonus on Current Series .....	28/- Compound.	30/- Compound.	36/- Compound.
Carried forward...	£2,042	£78,544	£102,164

NOTE.—Policies which become claims before the next distribution of bonus will receive an interim bonus at the full rate last declared.

Write for Prospectus to

GEOFFREY MARKS, F.I.A., Actuary and Manager,  
39 KING ST., CHEAPSIDE, LONDON, E.C.

Commenting last week on the further decline in prices of Home Railway stocks brought about by selling on the part of holders who frequently intended to put the proceeds of sale into War Loan, we pointed out that the lower level of prices had reduced quotations to appreciably below reasonable prices. The last few days there has been some recovery from the depressed prices recently witnessed.

M.-U. Prices

July 27, 1914	June 1, 1917	July 1, 1917	July 1, 1917
45½ Great Eastern	49½	37½	38½
47 Great Northern, preferred	41½	37½	39½
85 Great Northern, Freehold	78½	79½	72½
112½ Great Western	107½	100½	103½
79½ Lancashire and Yorkshire	77½	71½	71
31 London and South Western, preferred	37½	32½	34
77½ London and Brighton, preferred	69	57½	52
124½ London and North Western	111½	104½	111½
67½ Midland, preferred	64	58½	61
56½ North Eastern	53½	48½	51½
119½ North Eastern, preferred	112½	107½	108½
36 South Eastern, preferred	27½	25	26½

The recent set-back in prices of American and some Canadian Railroad shares is largely attributable to sales pressed in this country, the sellers intent on transferring funds into the War Loan.

M.-U. Prices

July 27, 1914	June 1, 1917	July 1, 1917	July 1, 1917
20½ Atchafson	102½	104½	105
78½ Baltimore and Ohio	75	74½	78½
49 Chesapeake	41	39	39½
27 Chicago, Milwaukee	92½	90	84½
25½ Erie	26½	27	26
112 Illinois	109	110½	109½
138 Louisville	119½	122½	116
84 New York Central	88½	94½	90
55½ Pennsylvania	50½	51½	54½
84½ Reading	74	76½	69
94 Southern Pacific	91½	91½	88½
125½ Union Pacific	128½	132½	130
176 Canada Pacific	163½	144½	150

## DELHI UMBALLA KALKA RAILWAY.

THE directors of the Delhi Umballa Kalka Railway Company have declared an *ad interim* dividend for the half-year to March 31 of 4 per cent., plus a bonus of 1 per cent., making 5 per cent. in all, or at the rate of 10 per cent. per annum. This rate of distribution has been made since June 1912, and there is no doubt that it can and will be maintained in respect of the current year. In 1913-14, it will be recollected, the Company did less well than in the preceding twelve-monthly period, and the dividend of 10 per cent. was not quite earned. The relatively large balance brought forward from 1912 enabled the distribution to be maintained, and the fact that the directors took this course of reducing the balance carried forward at such a time clearly indicated that they took a hopeful view of the outlook. In this they have not been mistaken. For the six months to March 31 the traffic receipts of the line showed an increase of Rs. 1,05,000, or 6.6 per cent., and since that date there has been a further improvement of Rs. 84,000, or 12.4 per cent. As the line is worked by contract with the Secretary of State for India at a fixed ratio, the growth in net earnings has also been considerable, and there is no doubt that already the dividend of 10 per cent. has been earned with a considerable margin beyond.


The Company has always enjoyed a high degree of prosperity. Up to five years ago regular 7 per cent. distributions were being made, while in the last 10 years the lowest dividend paid has been 6 per cent. Consequently the average rate for the decade works out at approximately  $7\frac{3}{4}$  per cent. The dividend record of the Company since 1904 is appended:

	First Half	Second Half	Year		First Half	Second Half	Year
1914-15...	10	10½	10	1908-09...	6	8	7
1913-14...	10	10	10	1907-08...	6	8	7
1912-13...	10	10½	10	1906-07...	6	8	7
1911-12...	9	10	9½	1905-06...	6	7	6½
1910-11...	7	9	8	1904-05...	5	7	6
1909-10...	6	8	7				

• Probable rate of distribution.

† At the rate of 10% per annum for the 9 months to Sept. 30, 1913.

The price of the Ordinary stock is 176, and on a 10 per cent. dividend basis a yield of £5 17s. per cent. is forthcoming.



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By Appointment.

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**Accident Fire and Life  
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## Mining Topics.

ALTHOUGH, in general, business in the Mining department has continued stagnant, variations in prices have been but few, but where changes have occurred, in almost all cases they have been lower. An exceptional group, where there has been unsteadiness as to prices and some amount of business passing, has been that for copper shares, but even here changes have not been of such magnitude as might have been looked for having regard to the vagaries of the price for the metal.

It has to be recognised there is but little disposition to effect speculative operations however attractive securities may be, but it is satisfactory to note that holders of gold-mining shares are indisposed to effect sales. In several directions Rand gold shares stand at attractive prices having regard to the future outlook and their merits as to profit, yield, and life considerations. Why, it may reasonably be asked, should a holder of Modderfontein £1 shares at the price of £14½ feel any uneasiness of mind when he is cognisant of the fact that the ore reserves alone, according to remarks of the Rand Mines, Limited, Chairman at

the meeting last month gave a value of £10,000,000, equivalent to about £20 per share, and probably half this may be regarded as profit. Much is expected to be made distributable, and the bulk of the property has yet to be developed. At the first blush the price of £14 per share looks a reasonable one for any person buying, and we favour the views of those shareholders who would prefer the shares to be of £1 denomination instead of the present cumbrous £4 form of capital.

We may here make reference to the performance of two new Eastern group entrants as producers, two companies in fact that own properties adjoining the Modderfontein. The first to be taken note of is the Van Ryn Deep, which only made a commencement of crushing in the middle of 1913, and has established an average profit of 20s. per ton for the past six months. After making an allowance for profits tax, sundries, &c., we should place the surplus profit, beyond what was absorbed by the 15 per cent. dividend paid, at about £10,000. The second is the Modder Deep, which only started milling in the middle of December 1914, and whose performance so far has been a very respectable one, each successive month showing an improvement over the previous one. For the six months just ended it has secured an average profit of 14s. 6d. per ton. The outlook is that for the remainder of the year there will be an appreciable increase in the profit compared with the £133,000 secured for the June half of the year. The first dividend distribution called for £50,000, but we estimate that really the Company could have divided a 20 per cent. instead of a 10 per cent. dividend and still have had a small surplus. The figures as to these two companies are set out below:—

SIX MONTHS TO JUNE 30 1915			
		£	Per Ton
<b>Van Ryn Deep:</b>			
Revenue	(262,630 tons)	469,614	35 10
Expenses		207,888	15 10
Mine profit		261,726	20/-
Say taxes and sundries		31,726	
Profit available for dividend		230,000	
Actual dividend 15% on £1,100,892		179,534	
Remaining, say		50,466	
<b>Modder Deep:</b>			
Revenue	(183,050 tons)	293,015	32 -
Expenses		160,010	17/6
Mine profit		133,005	14/6
Say taxes and sundries		18,005	
Profit available for dividend		115,000	
Actual dividend 10% on £500,000		50,000	
Remaining, say		65,000	

Two Malayan tin companies have this week declared dividends. The Kemunting makes a maiden distribution of 1s. a share, while the Malayan Tin Dredging re-enters the dividend list with a like amount. The affairs of the latter Company were dealt with in our issue of December 19 last.

## TOUGH-OAKES MINE.

In the first quarter of 1914 there was a great amount of market excitement in the group of companies associated with the Kirkland Lake Proprietary, then actively engaged in the promotion of subsidiary ventures to deal with Canadian gold properties. The procedure in several directions was of a peculiar character, and we remarked "the public is, in our opinion, called upon to exercise a vast amount of faith as to the finance and assets of the projects, with inadequate knowledge of official data." We presented at that time a mass of cold facts ascertained by investigation of records necessary to be filed in this country, and we also went further afield, obtaining from Canada particulars of the Canadian-formed companies, which were to be controlled through English-formed companies. English companies were being promoted by the Kirkland Lake Proprietary and the Union and Rhodesia Trust, and there was a very restricted personnel actively engaged.

Quite recently we referred to a petition having been presented in the Courts for the compulsory winding-up of one of the companies of the Kirkland Lake group—the Tough-Oakes Gold Mines, Limited. This Company is the English-registered one, not the Canadian Company, which has possession of the property. This petition was heard in the Companies' (Winding-up) Chancery Division, before Mr. Justice Neville, on July 6, and those interested in the Company's affairs will find a report of the proceedings in the financial dailies of July 7. A remarkable state of affairs was disclosed by Mr. Peterson, K.C., counsel for the petitioners. The manner in which contracts were broken, the inter-holding of shares by different companies, the borrowings of directors, and other procedures referred to by the counsel are truly extraordinary.

**Oroville.**—Respecting remarks in our issue of June 26 regarding the application for a special settlement in 23,794 shares, we learn that these shares in the English Company have been issued in exchange for an equal number of shares in the American Company. We also learn that the loan of £24,130 was paid off a few months ago out of profits made in the early part of the year.

## RAND ORE RESERVES AND ORE IN DEPTH.

WE elsewhere report some of the salient points of Mr. Schumacher's speech at the annual meeting of Rand Mines, Limited, held in Johannesburg on June 16, but the subject he dealt with being of such general interest we amplify remarks in connection with broad points concerning mining on the Rand, and the position of some of the companies in which the Rand Mines is interested. The first point he brought out was the strength of the ore reserves position of the group of companies associated with the Rand Mines, Limited, and in the table given below will be found the figures as at December 31, 1914, except companies whose years end June 30 or September 30, indicated as to June by an asterisk and dagger, and September period (the Ferreira Deep) by a dagger only.

Company	Ore reserves, Estimated excluding Shaft and safety Pillars		Estimated Value in Shillings Per Ton	Estimated Value of Contents
	Tons			
Modder B ...	2,772,540	36.1	5,004,000	
New Modderfontein ...	*5,913,700	35.2	10,408,000	
Ferreira Deep ...	3,250,400	22.7	3,726,000	
Gelbours Deep ...	1,198,000	26.5	1,587,000	
Nourse Mines ...	*2,337,500	26.6	3,108,000	
City Deep ...	2,144,000	40.2	4,309,000	
Village Main Reef ...	814,400	31.1	1,266,000	
Village Deep ...	2,331,000	29.8	3,473,000	
Ferreira Deep ...	†1,344,200	35.5	2,385,000	
Robinson G. M. Co. ...	899,000	29.3	1,317,000	
Crown Mines ...	9,369,000	24.8	11,618,000	
Bantjes Consolidated Mines ...	690,000	24.8	856,000	
Durr in, Reedersfont Deep ...	928,600	26.9	1,249,000	
Totals ...	34,025,140	—	£50,306,000	

He specially emphasised the importance of the ore reserves of the Modderfontein, City Deep and Village Deep, where, exclusive of ore locked up in shafts and safety pillars, the reserves compared with the previous year had shown satisfactory increases. With the Modderfontein there was an increase of £3,000,000 in the assay value, with the City Deep £430,000, and the Village Deep £366,000.

Another point he dealt with was the showings in depth of two important Rand enterprises—the City Deep and the Village Deep, and he mentioned figures that are given below. In respect of each of these companies, he went on to say that the results at these and a number of other mines on the Witwatersrand continue to prove the correctness of the assertion he had made before, that in various portions of this gold-field there has hitherto been little or no impoverishment of the ore bodies as gradually depth has been attained. The detailed figures given below are, therefore, not only of interest to shareholders in the

dividual companies named, but they have a bearing on the question of deterioration of ore bodies in depth, that has been so prevalently believed in, even by experts. The figures are as under:—

*Showings of Total Footage Sampled in Lowest Levels.*

To 31st May, 1915.

CITY DEEP, LTD.

Level	Vert. Depth Below Collar	Footage Sampled	Average Reef Channel Width in In.	Average Reef Channel Value in Dwt.	Inch-Dwt.
No. 2 Shaft—					
10th	3,360	2,211	24.3	16.1	391
11th	3,519	955	49.8	10.6	628
12th	3,682	325	28.1	12.2	343
15th	3,843	225	28.4	11.3	434
14th	3,995	80	37.4	10.0	374
No. 1 Shaft—					
10th	3,274	985	41.0	11.9	488
11th	3,100	320	45.2	9.5	429
12th	3,617	529	44.9	10.3	462
13th	3,770	40	25.8	26.7	689

VILLAGE DEEP, LIMITED.

To 31st May, 1915.

No. 3 Shaft—					
16th	3,680	5,705	42.1	10.2	429
17th	3,848	4,655	42.3	10.4	440
18th	4,054	5,095	34.0	12.1	411
19th	4,189	1,540	28.8	14.2	409
20th	4,336	120	34.5	10.4	359
16th to 20th	—	17,115	38.5	11.0	425

### VILLAGE DEEP.

WE called attention in THE STATIST of May 16 last year to the improved outlook for Village Deep, as, despite the temporary strike and labour difficulties of the early part of the year, the Company was yet able to show benefit derived from the work done in 1913. The improvement shown in 1914 brought up profits to a record figure, the mine profit results of 1914, compared with the four previous years, being as under:—

1914	1913	1912	1911	1910
£ 308,404	£ 247,109	£ 294,810	£ 225,750	£ 154,067

The outlook for the current year is also good. In his report dated February 1915, the Consulting Engineer observes that the prospects are "better than at any time in the history of the mine." It will be of interest to show the actual results secured in each of the past two years, and these are set out below:—

Year to December 31.	1914	1913
Gross receipts from gold ... (600,400 tons)	£ 838,774	£ 798,688
Expenses ...	530,370	551,578
Mine profit ...	308,404	247,110
Sundry net revenue ...	11,608	5,571
	320,012	252,981
Extra development ...	—	£ 22,017
Phthisis cost, donations, &c. £15,631		13,716
Strike expenses ...	—	4,042
Taxes ...	25,968	22,031
Dividends ... (21½%)	225,392	159,101
	256,991	222,907
Surplus ...	53,021	32,074
Balance brought forward ...	49,758	57,559
	102,789	89,663
Applied to capital expenditure ...	19,343	39,865
Carried forward ...	83,446	49,768
	102,789	89,633

We give herewith a plan illustrating the shape of the property, the extent of development work done in the northern block, and the continuation of work done to the southern block is also shown. Some of the work last year and since has been penetrating through the Springfield area, which is shown on the plan. Over this Springfield area the Company has not yet secured mining rights. The official plan in colours given in the report is in greater detail than that which we now present, for we are unable to show so much with merely black and white as is possible with a coloured plan.

Before proceeding further there are two points to which attention may be called. The first is, that the Company's mill of 180 stamps and tube mills with accessory plant is situate near the northern boundary at western shaft. The ore now being secured at depth is

gathered by means of electrically equipped collecting levels and raised to surface at the No. 3 shaft, or, as it is termed, the Turf shaft, and from there by surface haulage taken to the mill, approximately three-quarters of a mile distant from the shaft. The other point to be noted is that the main reliance of the mine is upon its Main Reef Leader ore deposit, the Main Reef itself, in close juxtaposition to the Main Reef Leader, being virtually valueless. Here and there portions of the South Reef, distant from the Main Reef Leader about 70 feet, have been payable, more especially to the west. It is noticeable with this mine that, though the South Reef does not contain so much payable ore as with the mines to west of the Village Deep, some has been used, and the proportion to total ore used is gradually increasing as time goes on. The percentages reported in each of the last six years are set out below:—

	1909	1910	1911	1912	1913	1914
Main Reef	3%	1.0	—	.3	.5	%
Main Reef Leader	95.46	92.0	85	85	82.5	80
South Reef	4.16	7.0	15	14.7	17	20

The development showings since the beginning of 1910 give an indication of the actual reef widths and the assay values of both Main Reef Leader and South Reef, and are shown below:—

	Main Reef Leader			South Reef		
	Distance Exposed	Width	Assay	Distance Exposed	Width	Assay
1910	13,003	32	40.9	2,546	26	45/0
1911	8,202	27	55.2	5,917	21	55/3
1912	8,827	36	50/3	3,913	23	56/8
1913	10,424	342	49.7	2,675	23.2	56/10
1914. Mar. qr.	1,852	36.7	51/8	189	30.9	29/0
.. June qr.	1,696	29	81/1	110	31	34/10
.. Sept. qr.	2,205	27	79.6	173	25	39/1
.. Dec. qr.	1,804	20	90/9	765	21	39.6
1915. Mar. qr.	1,130	25	74/4	303	17	41/2

At the annual meeting of the Company on June 1, in Johannesburg, the Chairman called attention to the excellent results that had been obtained from the 15th to 19th levels on the Main Reef Leader during the past year. He reported that since the end of 1914 at the 20th level about 1,000 feet had been driven, and in a winze between the 19th and 20th levels the reef had steepened to about 40 degrees, compared with 35 degrees at the 16th level. We may here add that the 16th level is a main collecting level, electrically equipped. The 20th level likewise will be so. It is of interest to note that the 20th level is approximately 4,800 feet vertical below surface. Stations for both the 21st and 22nd levels are under the present non-mined Springfield ground, but the station described as about to be cut at the 23rd level is in the Company's southern mine area.

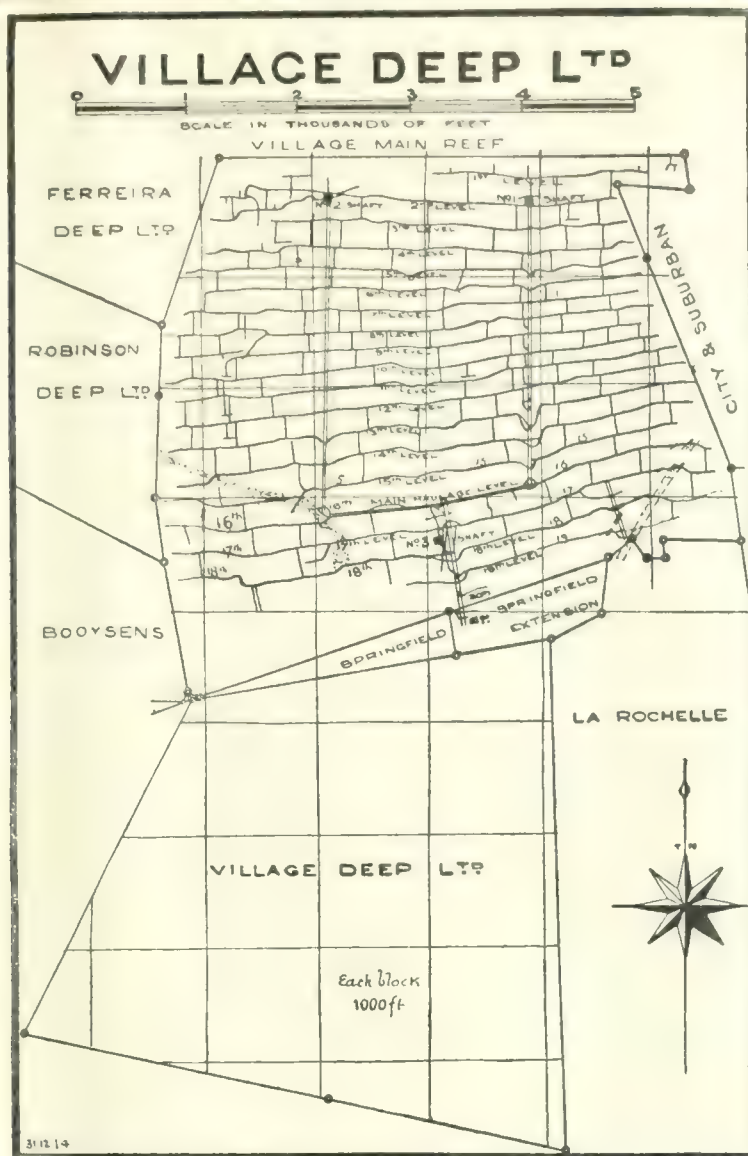
Despite the large tonnage milled in 1914 an increase of 188,000 tons was shown in the ore reserves, although the labour roll was reduced; costs were brought down by the use of mechanical devices for stoping. The actual footage of development work was greatly reduced, and consequently the addition to reserves was very satisfactory. We give below a comparison of the ore reserves for the past five years, and from this it will be seen that the assay value in 1914 was higher than in the preceding three years:—

	Tons	Value	Stopping Widths—	
			M. R. Leader	South Reef
1911...	1,810,713	26.4	61.0	49
1912...	1,922,400	29.5	58.0	49
1913...	2,142,900	29.0	63	57
1914...	2,331,000	29.10	61	54

The pay limit has been 4.3 dwt. in 1912, and since. Apparently about four-fifths of the reserves are Main Reef Leader and the rest South Reef.

Regarding the results so far secured in the present year, the tonnage milled in May of 54,200 tons was a record. We give on page 51 the figures for each of the last two years, and, in addition, to May this year.

Reverting to the contrast of the results of 1914 and 1913, it is interesting to note that the Company's calculation of the effect of the £500,000 war tax on the mines is that, as to this Company, it will add about half the sum normally payable for one year



under the profits tax—Taxes 1914, £25,968; 1915, say, £42,000.

It is also to be noted that the era of spending liberally out of profits on requirements of capital nature such as equipment, &c., is practically ended, very small sums being now required. The costs so far this year have shown an increase, but this has been due to the exceptional circumstances of higher prices for stores through the War and additional expenditure incurred through excessive rains. The Company has also patriotically kept open the places of men serving with the Union forces and allowed half-pay during their absence.

In the early part of 1915 much of the ore was derived from the old upper levels, and proved to be somewhat low in value. A change for the better occurred with the removal of water difficulties, in April the recovery being 28s. 9d. per ton. The Chairman observed that from now onwards at least a similar grade should be recovered, and he anticipates that an average of about 54,000 tons will be treated for the future.

**Village Deep.**—£1,060,671, in £1 shares. 180 stamps; seven tube mills.

Yr. ends	Tons	Sort-	Revenue	Expenses	Profit	Price				
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	Amt. Per ton and of period				
			£	£	£					
1914 ... 1915.	180	601,454	11	879,397	27 10	530,584	17 7	368,813	14 3	—
Mar. qr.	180	50,200	12½	205,173	27/4	139,008	18/6	66,165	8/10	1½
Apr. ...	180	60,200	13½	72,272	28/9	47,579	18/11	24,693	9 10	1½
May ...	—	54,200	—	76,515	28/2	49,764	18/4	26,811	9/10	1½
June ...	—	51,500	—	77,988	30/3	49,598	19/3	28,388	11 0	1½

Dividends—1914, June, 10; Dec., 11½ per cent.  
1915, June, 10 per cent.

In its June distribution the Company has this year adhered to 10 per cent., the same as for each of the

corresponding half-years of 1913 and 1914. Taking all things into consideration it looks to us probable, unless accidents occur, that the profits of 1915 will admit of a further distribution of 15 per cent. to be announced in December next, making 25 per cent. for 1915, compared with 21½ per cent. for 1914 and 15 per cent in 1913. A declaration up to the hilt, however, is largely dependent upon circumstances. But whether or not the distribution be 22½ per cent. or 25 per cent., with prospects what they are the shares at the market price of 1½ cum div.—say 3½s. ex div.—do not appear to be overvalued.

As to the question of life, as previously mentioned, in depth the lode has been found to steepen to about 40 degrees, but we will adhere to the bases we gave last year of assuming a 30 degrees dip and a gross stoping width of 5 feet for Main Reef Leader and 4 feet for South Reef. Then, to be on the conservative side, we will deduct approximately one-third of the gross contents in respect of the leader for faults, poor zones, and sorting, and two-thirds similarly in respect of the South Reef. According to these bases, between 28,000 and 29,000 tons per claim may be calculated in respect of the 537 claims of the Company. The calculations are as follows:—

	Tons	Tons
<b>Main Reef Leader—</b>		
Gross at 30 degrees dip, 60 inches stoping ...	...	30,800
One third deducted for faults, sorting, &c. ...	...	10,266
Mill tons left ...	...	20,534
<b>South Reef, 48 inches stoping ...</b>	...	24,640
Two-thirds deducted for poor zones, faults, sorting, &c. ...	...	16,426
Mill tons left ...	...	8,214
<b>Total mill tons per claim, both reefs ...</b>	...	28,748

If, say, 28,000 mill tons per claim be assumed from combined South Reef and Main Reef Leader—

ignoring the Main Reef—the life of the Village Deep's 537 reef claims would be approximately 18 years on use of 620,000 tons a year.

	Tons
537 claims at 28,000 tons per claim ... ..	15,036,000
Used to December 31, 1914 ... ..	4,276,000
Remaining January 1, 1915 ... ..	10,760,000

## ALASKA TREADWELL.

THE year 1914, from the point of view of profit earned, was the most successful ever experienced by this famous low-grade gold mine. The gold yield was slightly lowered to 10s. 5d. per ton—which means that only 60 grains of gold were obtained from every 14,000,000 grains of ore treated—but, on the other hand, the total operating costs were reduced to 4s. 4d. per ton, and, as a considerably larger quantity of ore was dealt with, the operating profit for the year rose to £277,224, or 6s. 1d. per ton, as against £257,299, or 5s. 10d. per ton, in respect of 1913. In the current year, according to the monthly advices, there has been a considerable further fall in the gold yield, and working costs have slightly risen, with the result that the operating profit of the first five months to end May shows a heavy decline. This will be seen from the following table, which also gives a comparison of the operating results obtained at intervals since 1900, and shows the quantity of ore reserves and their value at the end of each period. The figures are based on the dollar having a value of 4s. :—

Year to	Ore Milled	Gold Yield	Operating Costs	Operating Profit	Ore Reserves	Value
May 31	(2,000 Lb.)	Per Ton	Per Ton	Per Ton	Tons	Per Ton
	Tons	s. d.	s. d.	£ s. d.	(2,000 Lb.)	s. d.
1901 ...	437,802	7 6	4 3	75,483 3 3	3,917,589	8 0
1904 ...	775,150	9 5	5 3	100,262 4 2	4,017,289	8 9
1907 ...	702,953	8 7	5 4	154,341 3 3	4,982,883	9 6
1910 ...	744,226	11 2	6 4	182,078 4 10	5,899,364	11 5
1911* ...	1,348,504	9 9	5 7	274,340 4 2	7,613,087	10 0
1912† ...	892,192	9 10	4 9	229,759 5 1	6,977,958	10 10
1913† ...	886,057	10 8	4 10	257,299 5 10	6,095,368	10 8
1914† ...	910,285	10 5	4 1	277,224 6 1	7,159,253	9 11
1915, 5 mos. to May 31(a)	376,500	8 1	4 7	64,568 3 6	—	—

\* Period of 194 months to December 31, 1911.

† Year to December 31.

(a) According to monthly advices.

It will be noted that in the past year a very large addition of over 1,000,000 tons of ore was made to the ore reserves, despite the extraction and treatment of 910,000 tons in the same period. It is also obvious that the value of the ore developed in the year was much lower than the average value of the existing ore reserves, and it will further be noticed that the ore milled in 1914 was of a considerably higher value than the ore reserves at the end of the year. The increase in the ore reserves was largely brought about by the opening up of a new level at 2,100 feet depth, and apparently the values so far met with at this level show considerable diminution compared with the levels above. Naturally, the value of the ore treated each year must be governed by the average value of the ore reserves and of the fresh ore developed. This accounts for the marked falling-off in the gold yield and profits of the first five months of the current year as shown in the table given above.

Turning to the accounts, the net profit of 1914, after provision of capital expenditure, amounted to £270,281, against £244,687 for 1913. Depreciation written off called for £50,191, against £80,041. Practically the whole of the balance profit of the year was distributed in the shape of dividends aggregating 22 per cent., calling for £220,000, against the 20 per cent. total dividends, requiring £200,000, in the previous 12 months.

The capital of the Company is \$5,000,000 (say £1,000,000) in \$25 (£5) shares, and the financial position of the undertaking, thanks to the liberal writings off for depreciation, is a strong one, the surplus liquid assets at the end of 1914 amounting to nearly £142,000.

A contrast of the profits earned and the allocations of the past four financial years will be seen from the following :—

	Dec. 31, 1914	Dec. 31, 1913	Dec. 31, 1912†	May 31, 1911
Value of gold ... ..	£ 473,512	£ 471,684	£ 441,178	£ 362,257
Operating costs ... ..	196,288	214,385	211,418	235,450
Operating profit ... ..	277,224	257,299	229,760	126,807
Sundry revenue ... ..	13,563	12,518	10,786	19,254
Construction expenditure ... ..	290,787	269,817	240,546	146,061
	6,269	7,720	3,046	3,739
Sundry expenses ... ..	284,518	262,097	237,500	142,322
	14,237	17,410	3,556	—
Net profit ... ..	270,281	244,687	233,944	142,322
Brought forward ... ..	9,646	45,000	65,270	14,918
Total available ... ..	279,927	289,687	299,214	157,240
Depreciation written off ... ..	50,191	80,041	124,214	20,000
Dividends paid ... ..	229,736	209,646	175,000	137,240
	(22%)	(20%)	(15%)	(12%)
Carried forward ... ..	9,736	9,646	45,000	17,240
Surplus liquid assets ... ..	141,965*	147,265*	129,263*	3,062

\* Excluding holding of over \$40,000 stock of Alaska Douglas G.M.

† Fiscal year changed to correspond with the calendar year.

In regard to the future, the reduction in the value of the ore reserves, and the consequent falling-off in the gold yield of the ore treated and the profit earned in the five months to May 31, point to reduced dividends being distributed in the current year. Of course, it is quite possible that as the 2,100-foot level is more developed and further levels become opened up, better-grade ore will be come upon, for in the past there have been considerable variations in this respect.

For the first half of this year two dividends have been paid aggregating 8 per cent., which compares with 11 per cent. for the first six months of 1914. The present price of the \$25 shares is £7½, so that on the basis of 16 per cent. annual dividends the yield afforded is not quite 11 per cent. It should be noted, however, that it requires £160,000 to pay 16 per cent. on the capital of the Company, and as the operating profit earned in the first five months of the year has amounted to only £64,568, there will need to be improvement in the next seven months if even a 16 per cent. distribution for the year is to be forthcoming.

## Cam and Motor.—Capital £617,500, in £1 shares.

Year ends	Value Recovered	Extraction	Estimated Profit	Price of Shares
June 30, 1913-14.	Tons	Per Ton	%	end of Period
Feb. 28-June 30...	56,130	53,576	29/10	19/6
1914-15.				
Sept. qr. ...	36,101	48,786	27 0	64.4
Dec. qr. ...	35,078	52,433	29/10	72.8
Mar. qr. ...	33,915	55,416	32/8	—
April ...	11,928	19,049	31 11	—
May ...	12,677	20,283	32/0	—
June ...	13,000	20,812	32/0	—
12 months ...	142,699	216,779	30.4	—

Since February the Company has ceased to give the extraction obtained; it then was 73.6 per cent. Assuming that ore of the average grade of the ore reserves—44s. 3d.—is milled the extraction for June was under 73 per cent., while the average extraction for the year was 69.3 per cent. For the last two months an "estimated working profit" has been given, but it is desirable to know what is included in the expenses.

## BROKEN HILL SMELTING.

IMPORTANT cabled information has been received this week from the Broken Hill Associated Smelters' Proprietary, the undertaking which was recently formed to take over the Broken Hill Proprietary Company's smelting works, and with which the Proprietary, North and South Companies, also the Zinc Corporation are associated. The extension of the works at Port Pirie is being pressed on with the utmost despatch, and in consequence within the next week or two the capacity will be raised to 3,700 tons

[illegible]

### RAND GOLD OUTPUT.

**Brakpan.**—Capital issued, 750,000 £1 shares; 160 stamps. Nine tube mills now working.

Year ends Dec. 31	Total S. Mined	Saving in %	(Net Profit) Amt. Per ton	(Net Profit) Amt. Per ton	(Profit) Amt. Per ton	(Profit) Per cent of Period
1914 ...	140,218,771	—	\$611,277	575,680	18/6 283,456	9/1 —
1915.						
Mar. qr.	150,167,911	1 2	572,275	155,539	16/6 77,252	9/2 1 1/2
April ...	150,145,112	—	572,275	52,679	17/7 28,155	9/5 1 1/2
May ...	— 60,100	—	82,378 2/5	53,332	17/8 29,268	9/8 2 1/2
June ...	— 60,100	—	77,442 3/5	53,991	17/8 29,653	9/8 2 1/2

Dividends--1914, June, 12½; Dec., 17½ per cent.  
1915, June, 17½ per cent.

**City Deep.**—Capital £1,250,000, in £1 shares. 200 stamps and tube-mill accessories, to have a capacity of about 800,000 tons per annum when in full operation.

Year to Dec. 31	Tons Sorts.	—Revenue— Amt. Per ton	—Expenses— Amt. Per ton	—Profit— Amt. Per ton	Price Per ton end of Period		
1914 ...	150	965.30	71	965,710 38.2	599,935 22.5	395,777 15.9	—
1915.							
Mar. q. 144	137,500	121	261,694 35	152,749 22/2	109,145 15 10	28%	
Apr. q. 124	54,000	121	1,232.9 37.9	64,335 23	46,271 17 1	3%	
May ...	69,000	—	116,916 34.2	68,235 20.2	55,675 17/2	5%	
June ...	57,500	—	112,631 39.1	60,542 20.4	53,789 18/9	3	

Dividends—1914, June,  $11\frac{1}{4}$ ; Dec.,  $12\frac{1}{2}$  per cent.  
1915, June,  $13\frac{3}{4}$  per cent.

**City and Suburban.**—£1,360,000, in £4 shares. Two tube mills. Yearly profit is exclusive of accumulated slimes revenue.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing	Revenue £ Amt. Per ton	Expenses £ Amt. Per ton	Profit £ Amt. Per ton	Price end of Period
1913 ...151av.	306,663	94	583,141	38/0	335,622	21/10 247,519	16/2 2½
1914 ...154av.	324,117	94	587,199	36/3	338,648	20/11 248,551	15/2 —
1915.							
Mar. qtr. 151av.	84,369	104	153,498	36 5	88,832	21/1 64,666	15/4 2½
Apr. ...155	27,560	114	—	—	—	20,196	14/7 2½
May ...150	27,560	—	50,916	36 6	29,768	21/4 20,148	15/2 2½
June...158	27,220	—	50,073	36 9	29,659	21 9 20,414	15/0 2½

Dividends—1914, June,  $7\frac{1}{2}$ ; Dec.,  $7\frac{1}{2}$  per cent.  
1915, June,  $7\frac{1}{2}$  per cent.

**Consolidated Langlaagte.**—£950,000, in £1 shares. £270,000 Five-and-a-Half per Cent. Debentures. 100 new stamps and 10 tubes. About £300 monthly sundry revenue included below.

Year to Dec. 31	Tons Stps. Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit* Amt. Per ton £	Price end of Period			
1914 ... 92½	578,100	22	739,704	25/7	423,799	14/8	315,905	10/11	—
1915.									
Mar. Apr. 100	156,900	3	201,042	25/9	109,405	14/0	91,637	11/9	1½
Apr. ... 100	52,600	4½	67,950	25/19	36,584	14/1	31,366	11/10	1½
May ... —	52,400	—	68,065	26/0	36,637	14/1	31,428	11/11	1½
June ... —	49,200	—	66,852	27/2	35,132	14/6	31,720	12/8	1½

\* Includes slimes profit and sundry revenue.

Dividends—1914, June, 10; Dec., 10 per cent.  
1915, June, 12½ per cent.

(Continued on page 82.)

- Loss. (a) Shaft accident.
- (b) Reduced profit due increased costs, owing shortage labour and return to more normal recovery. Grade April and May abnormally high.

Except for the very poor results of the East Rand Proprietary the returns for June are satisfactory, and in some directions remarkably good, as may be instanced, in a 30-day month, the record outputs of City Deep, Modderfontein, Modderfontein Deep, Van Ryn Deep, and Government Areas; also the good returns of the Village Deep and improvement of the Transvaal Gold Mining Estates, after its discomforts from the January-February floods.

Supplemental to the contrast of profits for recent months, the following table of profits for the first

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, July 7, 1915.

## Issue Department.

Notes Issued.....	£70,676,965	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	52,226,965
	£70,676,965		£70,676,965

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ..	£51,043,491
Rest .....	3,235,733	Other Securities .....	137,918,307
Public Deposits.....	87,898,980	Notes .....	35,603,830
Other Deposits .....	139,859,352	Gold and Silver Coin .....	1,037,182
Seven-day and other Bills ..	55,745		

£225,602,810

£225,602,810

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Depts.	Deposits Public Other	Securities Govt. Other	Reserve	Ratio Reserve to Liabilities.	Bank Rate	Three Months' Bills
1914.	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	40'03
1915.								
June 2	33.5	58.8	131.7	84.0	51.0	138.9	43.5	20'20
— 9	33.1	69.3	123.3	91.4	51.0	136.8	44.7	20'80
— 16	32.9	66.5	113.0	101.7	51.0	139.5	42.0	19'56
— 23	33.1	64.1	99.8	109.6	51.0	136.4	39.5	18'87
— 30	34.6	62.1	61.5	140.6	51.0	162.8	35.9	16'16
July 7	35.1	53.3	67.9	139.8	51.0	137.9	36.6	17'63

\* July 30, '14 + to 4%: July 31, '8; Aug. 1, 10%; Aug. 6, 6%; Aug. 8, 5%.

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.	£	£	£	£	%
Total to June 9 ..	115,492,998	69,803,637	45,689,361	28,500,000	62.3
Week to " 16 ..	1,861,283	1,908,952	45,641,632	28,500,000	62.4
" " 23 ..	2,013,273	1,757,925	45,897,040	28,500,000	62.1
" " 30 ..	2,403,224	1,723,463	46,576,801	28,500,000	61.2
" July 7 ..	2,774,292	1,291,945	48,059,148	28,500,000	59.3

## II.—Balance Sheet, July 7, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound .....	35,791,726	Other Bankers .....	139,000
Ten Shilling .....	12,267,423	Currency Note Redemption A/c—	
Investments Reserve A/c ..	303,235	Gold Coin and Bullion .....	28,500,000
		Government Securities .....	9,585,828
		Balance at Bank of England...	10,137,557
Total .....	48,362,385	Total .....	48,362,385

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Receipts.	Withdrawals.
1915.	£	£
July 1, Thursday ...	200,000 sovs.*	Nil.
" 2, Friday ...	105,000 sovs. Egypt.*	28,000 bars.
" 3, Saturday ...	133,000 bars.	Nil.
" 5, Monday ...	Nil.	Nil.
" 6, Tuesday ...	200,000 sovs.*	Nil.
" 7, Wednesday ...	120,000 sovs. Egypt.*	Nil.
" 7, Wednesday ...	1,120,000 bars.	Nil.
" 7, Wednesday ...	100,000 sovs.*	Nil.
Total for week ...	1,978,000	28,000
Balance ...	[1,950,000 In for week.]	
July 8, Thursday ...	Nil.	68,000 bars.
" 9, Friday ...	Nil.	{ 247,000 Foreign coin. 202,000 bars.

\* Released.

**GOLD.**—The net movements of Gold at the Bank of England for the past six weeks have been as follows:—

	Bullion—	Treasury Note Redemption Fund	Net Gold Movement for Week
1915	£	£	£
Week ended	In Out	In Out	
June 2 ...	— 2,291,000	— 803,000	— 3,094,000
June 9 ...	1,275,000	— 533,000	+ 742,000
June 16 ...	— 2,697,000	— 19,000	— 2,856,000
June 23 ...	— 1,897,000	— 475,000	— 2,372,000
June 30 ...	— 1,279,000	— 786,000	— 2,065,000
July 7 ...	1,950,000	— 778,000	+ 1,172,000

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (In £'s sterling, 00,000's omitted):					
Circulation .....	£30.7	£29.6	£29.6	£29.5	£35.1
Public Deposits .....	11.4	17.9	10.7	12.6	67.9
Other Deposits .....	50.0	40.3	41.1	43.8	139.8
Government Securities .....	16.7	13.9	12.7	11.0	51.0
Other Securities .....	36.4	33.0	30.8	34.8	137.9
Reserve .....	26.2	29.3	26.2	23.5	36.6
Ratio to Liabilities .....	42.8%	50.23%	50.59%	50.59%	17.63%
Bullion (both Departments) ...	38.5	40.4	37.4	39.6	53.3
Money:—					
Bank of England Rate .....	2½%	3%	4½%	3%	5%
Bank of France Rate .....	3%	3%	4%	3½%	5%
Rate 3 months' Bills London ...	1½%	2½-3%	4½%	2½%	4%
Exchange:					
Paris Cheque .....	25 13/4	25 25	25 24 1/2	25 18 1/2	26 80
Hamburg 8 days .....	20 46	20 47 1/2	20 45 1/2	20 51	—
New York 60 days .....	4 85 1/2	4 84-80	4 83-20	4 85-80	4 73
Bombay Telegraphic Transfers	1 4	1 4 1/4	1 5 1/4	1 3 1/4	1 3 1/4
Prices:					
Consols 2½ % Cash .....	90 1/2	75 1/2	72 1/2	75 1/2	65
French Rente 3 % Money .....	99 10	92 30	83 85	82 90	69 50
Silver, London spot .....	-/27	-/27 1/2	-/26 1/2	-/25 1/2	—
Wheat, <i>Gazette</i> average .....	31/8	38 2	33 1/2	34 1/2	49 5
Cotton, <i>Mid</i> Upland .....	-/58 9	-/70 9	-/67 6	-/73 6	-/52 1
Iron, Scotch pig .....	49 4 1/4	62 10 1/4	65 0	67 1/4	73 9

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914 ...	—	—	£4,352	£8,197	£786	£8,693	£47
July 31, 1915 ...	£5,947	£320	6,267	5,322	2,294	11,588	555
June 30, 1915 ...	5,950	318	6,268	5,672	2,187	11,944	710
June 30, 1914 ...	—	—	4,585	5,309	1,102	8,879	284
June 30, 1913 ...	—	—	4,350	5,163	1,180	8,638	217

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circula-tion.	Public Deposits.	Private Deposits.
July 30, 1914... ..	£165,654	£25,013	£190,667	£97,768	£287,327	£15,302	£37,930
July 1, 1915... ..	157,282	14,863	172,125	10,820	488,634	3,281	94,610
July 8, 1915... ..	157,799	14,766	172,565	10,443	493,130	2,684	95,356
July 9, 1914... ..	183,704	26,498	190,202	123,171	241,598	13,080	107,571
July 10, 1913... ..	132,547	24,887	157,434	62,701	223,751	9,782	24,486

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circula-tion.	Deposits.
July 23, '14... ..	£67,843	£16,727	£84,570	£5,279	£40,055	£94,545	£47,198
June 23, '15... ..	119,229	2,585	121,814	14,551	211,757	261,245	80,692
June 30, '15... ..	118,380	1,337	121,717	22,335	246,671	292,017	89,965
June 30, '14... ..	65,308	16,222	81,530	2,978	64,219	120,239	42,915
June 30, '13... ..	54,048	14,118	68,165	1,388	61,663	115,838	34,820

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	De-posits.
Aug. 1, 1914 ...	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437
June 19, 1915 ...	27,659	214	27,873	6,186	10,392	40,209	4,518
June 28, 1915 ...	28,928	198	29,126	6,318	9,920	40,321	4,576
June 27, 1914 ...	13,388	779	14,165	7,197	4,917	25,513	424
June 28, 1913 ...	12,107	744	12,851	7,849	8,834	26,094	983

ITALY.	Gold.	Cash-Silver.	Total.	Other Cash.*	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14 ...	—	—	—	£48,456	£25,017	£69,204	£8,887
May 20, '15 ...	£45,470	£4,938	£50,408	1,860	47,987	104,051	28,404
May 31, '15 ...	45,522	4,849	50,371	5,869	49,123	114,189	29,683
May 31, '14 ...	—	—	—	£48,875	19,903	62,277	7,719
May 31, '13 ...	—	—	—	50,281	19,499	61,287	7,889

\* Including foreign gold bills, State notes, and small change.

N. YORK BANKS & TRUSTS	Own Vaults.	Reserve. In De-positories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
Aug. 1, '14 ...	—	—	£89,888	£411,238	£387,165	£8,316	£1,720
June 28, '15 ...	£91,844	£31,590	123,434	493,016	514,420	7,582	39,008
July 3, '15 ...	89,904	31,528	121,432	503,236	524,040	7,676	35,808
July 3, '14 ...	—	—	95,155	424,443	404,562	8,258	3,669
July 5, '13 ...	—	—	86,825	385,514	358,414	9,284	5,293

NORWAY.	Gold.	Balance Abroad.	P'r'n Gov. Securities.	Dis-counts & Loans.	Circula-tion.	Deposits.
July 31, 1914... ..	£2,960	£1,678	£493	£4,868	£6,752	£793
June 22, 1915... ..	3,411	3,183	638	4,217	7,614	1,347
June 30, 1915... ..	3,531	3,211	638	4,327	8,062	1,137
June 30, 1914... ..	2,905	1,501	488	4,669	6,832	355
June 30, 1913... ..	2,437	1,485	503	4,383	6,200	271

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circula-tion.	Total Deposits.
July 21, '14... ..	£174,509	£7,383	£181,892	£6,589	£76,081	£163,411	£109,911
June 14, '15... ..	169,782	5,601	175,383	9,286	280,954	347,734	163,867
June 21, '15... ..	168,203	5,612	173,815	7,222	279,385	351,778	152,359
June 21, '14... ..	177,582	7,327	184,889	6,704	76,381	183,298	104,538
June 21, '13... ..	160,105	7,757	167,862	5,304	91,656	147,195	108,343

SPAIN.	Gold.	Cash-Silver.	Total.	Loans, &c.	Spanish 4 %	Circula-tion.	Deposits, &c.
Aug. 1, '14... ..	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955
June 19, '15... ..	27,294	29,753	57,047	42,332	13,777	79,330	27,742
June 26, '15... ..	27,582	29,884	57,466	42,320	13,777	78,880	26,916
June 27, '14... ..	21,284	29,240	50,504	40,424	13,777	75,688	19,067
June 28, '13... ..	18,281	30,182	48,463	38,992	13,777	73,532	17,396

SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Dis-counts & Loans.	Circula-tion.	Deposits.
Aug. 1, '14 ...	£5,717	£8,150	£1,555	£7,495	£13,432	£3,903
June 19, '15 ...	6,302	4,009	2,803	7,134	15,017	4,175
June 26, '15 ...	6,302	4,033	2,769	7,479	15,073	4,387
June 27, '14 ...	5,823	6,060	1,803	5,791	12,088	3,659
June 28, '13 ...	5,702	3,910	870	7,555	11,733	2,712

SWITZERLAND.	Gold.	Cash-Silver.	Total.	Dis-counts & Advances.	Circula-tion.	De-posits.
July 31, 1914... ..	£7,675	£238	£7,913	£10,391	£16,371	£3,128
June 23, 1915... ..	9,608	2,151	11,759	6,455	15,877	3,011
June 30, 1915... ..	9,605	2,163	11,772	7,399	16,902	2,976
June 30, 1914... ..	7,033	712	7,745	5,341	11,411	1,567
June 30, 1913... ..	6,778	971	7,749	5,479	11,453	1,730

U.S. STATES FED. RES. BANKS.	Cash.		Loans and Discounts.	Reserve Deposits.	Circu- lation.	Total Re- sources.	Gold Res. against Net Liabilities.
	Gold Coin and Certs.	Total.					
June 4, 1915...	\$48,503	\$55,570	\$6,942	\$57,656	\$2,283	\$71,506	82 9/16
June 11, 1915...	49,246	56,173	7,201	59,931	2,420	74,256	82 9/16
June 18, 1915...	49,304	59,087	7,118	59,872	2,420	74,068	81 3/16

## III.—PUBLIC INCOME AND EXPENDITURE.

(00's omitted.)

	Revenue	Total Income	Expenditure	Treasury Balance	Treasury Receipts
1915.	Revenue	Total Income	Expenditure	Treasury Balance	Treasury Receipts
Week to June 5...	2,049	21,856	25,400	- 360	25,070
June 12...	2,580	15,094	19,972	201	20,173
June 19...	4,747	18,444	30,443	1,593	33,733
June 30...	3,914	17,487	26,381	21,262	47,643
Asst. since Apr. 1, '15	51,297	307,719	248,616	74,860	323,476
Total to June 30, '14	40,801	46,180	40,032	12,618	52,700
				3,915	- 6,519

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

	July 8, '15	July 1, '15	June 24, '15	June 17, '15
LONDON ON—				
Holland 1/2 m.	12 3	12 3	12 2 1/2	12 3 1/2
— Cable	11 90 1/2	11 94 1/2	11 93 1/2	11 94 1/2
Italy 3 mos.	28 60	28 85	28 85	28 7 1/2
— Cable	28 40	28 45	28 45	28 3 1/2
Lisbon & Oporto do.	36 1/2	36 1/2	37 1/2	37
New York do.	4 7 1/2	4 7 1/2	4 7 1/2	4 7 1/2
— Cables	4 7 1/2	4 7 1/2	4 7 1/2	4 7 1/2
Paris 3 mos.	27 45	27 57 1/2	26 55	26 42 1/2
— Cable	27 05	27 20	26 16	26 0 1/2
Petrograd do.	131	129	125	122
Scandinavia do.	18 1 1/2	18 2 1/2	18 10	18 0 1/2
Spain (Bank places) 3 mos.	45	44 1/2	44 1/2	45 3 1/2
— Cable	26 57 1/2	26 00	25 62 1/2	25 37 1/2
Switzerland 3 mos.	26 1 1/2	25 30	25 85	25 80
— Cable	26 7 1/2	25 90	25 47 1/2	25 40

## Foreign Rates of Exchange on London, &amp;c.

	July 9, '15	July 2, '15	June 25, '15	June 18, '15
Alexandria Sight	97 1/2 p.	97 1/2 p.	97 1/2 p.	97 1/2 p.
Amsterdam Sight	11d. 90c.	11d. 93 1/2 c.	12d. 02 1/2 c.	11d. 91 1/2 c.
Bombay Transfers	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.
Buenos Ayres 90 days	48 1/2 d.	48 1/2 d.	48 1/2 d.	48 1/2 d.
Calcutta Transfers	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.
Christiana Sight	18kr. 20	18kr. 17 1/2	18kr. 12 1/2	18kr. 07 1/2
Copenhagen Sight	18kr. 20	18kr. 17 1/2	18kr. 12 1/2	18kr. 07 1/2
Hong Kong Transfers	1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.
Italy Sight	29lr. 35c.	29lr. 15c.	28lr. 57 1/2 c.	28lr. 45c.
Lisbon Sight	36 1/2	36 1/2	36 1/2	37
Madrid Sight	25p. 65	25p. 65	25p. 67 1/2	25p. 45
Montevideo 90 days	52 1/2 p.	52 1/2 p.	52 1/2 p.	52 1/2 p.
Montreal Cables	\$4 81	\$4 7 1/2	\$4 81	\$4 81
New York Sight	\$4 76 1/2	\$4 7 1/2	\$4 73 1/2	\$4 73 1/2
— 60 days	\$4 72 1/2	\$4 7 1/2	\$4 73 1/2	\$4 73 1/2
— on Paris Sight	\$4 77 1/2	\$4 7 1/2	\$4 78 1/2	\$4 77 1/2
— on Berlin Sight	8 1/2 p.	8 1/2 p.	8 1/2 p.	8 1/2 p.
— on Vienna Sight	15.12c.	15.12c.	15.12c.	15.30c.
— on Amsterdam Sight	40c.	39 1/2 c.	39 1/2 c.	39 1/2 c.
— on Mexico Sight	35c. U.S.	37c. U.S.	37c. U.S.	38c. U.S.
Paris Sight	26f. 87 1/2 c.	26f. 82 1/2 c.	26f. 23 1/2 c.	26f. 04 1/2 c.
Petrograd Sight	13 1/2	12 1/2	12 1/2	12 1/2
Rio de Janeiro 90 days	12 1/2 p.	12 1/2 p.	12 1/2 p.	12 1/2 p.
Shanghai Transfers	2s. 2 1/2 d.	2s. 3 1/2 d.	2s. 3 1/2 d.	2s. 3 1/2 d.
Stockholm Sight	18kr. 20	18kr. 17 1/2	18kr. 12 1/2	18kr. 07 1/2
Switzerland Sight	25f. 90c.	25f. 75c.	25f. 60c.	25f. 47 1/2 c.
Valparaiso 90 days	84 1/2	7 1/2	7 1/2	7 1/2
Bar Gold, standard, per oz.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Silver (425) per oz.	22s. 1/2	22s. 1/2	23s. 1/2	23s. 1/2

\* Previous day's rates. † Foreign exchange current in New York, according to cable advices from London National Bank of Commerce.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Avg.	Inc. or Dec.*	
	1915	£	£	£	£	%
BIRMINGHAM...	July 3	2,576,881	- 68,185	42,323,815	- 602,056	- 1.4
BRISTOL.....	" 3	948,000 +	6,000	20,421,000	+ 270,000	+ 1.3
DUBLIN.....	" 3	3,859,200	- 120,690	96,097,000	+ 6,570,200	+ 7.3
LEEDS.....	" 3	1,076,867 +	255,341	16,736,634	+ 2,569,731	+ 18.2
LIVERPOOL.....	" 3	554,827 +	31,135	10,553,255	+ 2,071,391	+ 24.4
LIVERPOOL.....	" 3	7,630,184 +	2,587,283	138,595,676	+ 9,066,053	+ 7.0
MANCHESTER.....	" 3	8,269,357	- 833,619	173,429,147	- 19,885,367	- 10.3
NEWCASTLE.....	" 3	2,321,000 +	673,000	37,170,300	+ 4,463,200	+ 13.7
NOTTINGHAM.....	" 3	438,917 +	44,798	9,345,539	+ 1,073,807	+ 10.4
SHEFFIELD ...	" 3	1,257,340 +	232,394	15,790,794	+ 1,267,020	+ 8.7
LONDON—	1915.	{00's omitted from the London clearings }				
TOWN.....	July 7	239,276 +	53,693	5,279,285	- 2,653,528	- 33.6
METROPOLITAN.....	" 7	23,644 +	1,345	444,339	+ 14,151	+ 3.0
COUNTRY.....	" 7	37,541 +	3,761	783,531	+ 50,444	+ 6.8
TOTAL.....	" 7	300,468 +	47,987	6,552,155	- 2,538,933	- 28.4

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH" OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1915	£	£
May 28	42,510	+ 37,523
June 11	33,303	+ 34,710
June 25	45,093	+ 39,054
1915 avg.	476,555	- 646,196
		327,780
		- 197,806
		316,167
		- 101,042

\* Compared with a year ago.

## VI.—FREIGHTS.

According to Messrs. Farrar, Groves and Company, the following are the quotations for representative steam freights:—

HOMEWARDS.	1915.	1914.	Homewards—continued.	1915.	1914.
Alexandria to London/Hull	—	—	U.S. Atl. Ports to U.K.	—	—
Australia to U.K. or Cont.	18 6	—	Cont. (grain)	8 6	2 1/2
Azoff to L.H.A.R.	7 9	—	N.O. to L.H. (cotton)	140 0	—
Bombay to p.p.	54 6 1/2	54 6 1/2	N.O. to U.K. Cont. (grain)	8 6	—
Burma o.c.	—	20 0			
Calcutta to p.p.	—	—			
Danube to A.R.	—	7 3			
Odessa to L.H.A.R.	—	6 9			
River Plate to U.K. (cont.)	60 0	12 3			
U.S. Atl. Ports to L.H. (cotton)	—	22 6			

OUTWARDS.—Cardiff to	1915.	1914.
Bombay, Calcutta, Port River St. Vin.	—	—
bay, omba. Said. Plate, cent.	24 6	27 9
	1914...	10 6
		7 3
		14 3
		7 6

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

	JULY 10.	1915.	1914.	1913.
METALS, MINERALS, &c.				
Iron—Scottish pig warrants	73 9	57 4 1/2	57 4 1/2	65 0
—Middlesbrough warrants	67 5 1/2	51 3 1/2	51 3 1/2	55 5
—Home to warrants	95 0	61 0	61 0	74 6
—Scottish pig warrants, London	112	88 10	88 10	110
—Common bars	111 10	86 10	86 10	108
—Stock, Middlesbrough	147 3 1/2	74 6 1/2	74 6 1/2	208 7 1/2
Steel Rails	28 17 1/2	25 17 1/2	25 17 1/2	28 12 1/2
Copper—Standard	277 15	261 15	261 15	263 6 1/2
—Stock, London (Cott. Jan 30)	38 0 1/2	26 6 1/2	26 6 1/2	28 14 1/2
Tin—London (Cott. Jan 30)	173 1/2	149 1/2	149 1/2	184 1/2
—Strait	177 1/2	145 1/2	145 1/2	177 1/2
Tinplates—Coke 1 1/2	19 0	19 1/2	19 1/2	13 1/2
Lead—Soft (Cott. Jan 30)	224 7 1/2	219 15	219 15	219 17 1/2
Spelter—Ord. Foreign	110 1/2	221 7 1/2	221 7 1/2	220 10
Quicksilver—(75lb.)	118	96 15	96 15	27 10
Aluminium	1150	116 1/2	116 1/2	116 1/2
Antimony—Regulus	1120	1130	1120	1120
Coal—Steam (best) Cardiff	21 3	15 0	15 0	15 0
—(best) Newcastle	21 3	15 0	15 0	15 0

CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical wt.	13 9	10 6	11 1 1/2	11 1 1/2
Soda—Crystalline ex p.	22 2/8	22 5	22 2/8	22 2/8
Cochineal—Teneriffe Silver	2 1/2	1 10	2 1/2	1 8
Copra—Malay & Straits	223 10	223 15	224 7 1/2	229 2 6
Gambier—Good marks	32 6	18 10 1/2	18 10 1/2	17 3 1/2
Indigo—Bengal good to fine	13 8	15 0	3 1/2	3 0
Linseed Oil—Spot, barrels	226 9	225	225	225 2 8
Linseed—Calcutta, spot	54 1/2	50 0	50 0	44 8
Olive Oil—Spanish	253	254	249	250
Palm Oil—Lagos	231	231 10	231 10	235
Petroleum—American	82	71	71	78 1/2
Rape Oil—Refined English	238	240	232	231 5
Soya Oil	223 3	224	224	34 4 1/2
Tallow—Aust. mixed	28 9	32 9	28 0	27 6
Turpentine—Amer. Spirit	39 3	34 1/2	34 1/2	27 6
Rape Seed—Toria	51 0	50 1/2	50 1/2	47 6
Rubber—Para, spot	2 7	2 1/2	2 1/2	3 9
—Fine plantation	2 7	2 1/2	2 1/2	2 3 1/2
—Woods' Visc. (Koror)	25 005	22 202	22 202	17 583
Shellac—T. N. Orange, fair	54 0	55 0	63 0	64 0

TEXTILES.				
Cotton—Middling Upland	5 21	7 35	7 35	6 76
—Egyptian	7 15	8 85	8 85	7 30
Pernambuco, fair	5 69 1/2	7 62	7 62	6 87
—Mkt. Upl. New York	9 20	13 25	13 25	12 35
—Stock, Liverpool, July 2, bales	1,739,710	934,800	934,800	933,730
Flax—Petrograd, Yarpol	255	228 10	228 10	232 10
Hemp—New Zealand	231 10	228	228	229
—Manila	237	228	228	223 15
Jute—First Marks, spot	224 10	227 15	227 15	227 16
—Red Sea	222	225 15	225 15	225 10
Silk—Blue Elephant	8 10	11 6	11 9	10 9
Wool—Pt. Philip unwashed av. lb.	1 0	1 1	1 1	1 0
—Lincoln Half Hogs	1 6 1/2	1 0	1 0	1 0 1/2
Hides—English Ox, 90lb. & over lb.	11 1 0	6 1/2	6 1/2	6 1/2
Leather—Dressing Hides	2 1/2	2 1/2	1 4	1 4

VEG. FOOD, CORN, &c.				
Wheat—Viscup. U.S. July 5 bus.	9 215,000	13 626,000	32 407,000	32 407,000
—Red, price, N.Y. 60lb. bushel	133	88 1/2	88 1/2	97 1/2
—English, 60lb. aver. 480lb. qr.	49 5	34 4	34 4	33 1
Flour—London, Whites ex Mill 280lb.	44 0	29 6	29 6	31 8
Barley—Eng. 48lb. aver. 400 lb. qr.	35 3	24 6	24 6	25 2
Oats—Eng. 48lb. aver. 312lb. qr.	31 1	19 9	19 9	21 0
Maize—N.Y. (new bushel) 56lb.	86 1/2	77 1/2	77 1/2	69 1/2
—Amer. mixed, Liverpool 100lb.	8 1/2	5 4 1/2	5 4 1/2	5 4 1/2
—La Plata 480lb. qr.	32 9	25 9	25 9	23 8
Potatoes—Kents	75 0	75 0	75 0	92 8
Rice—Imports since Jan. 1, tons	22,299	10,635	10,635	7,293
—Deliveries do.	16 152	6 710	6 710	9 657
—Stock	13,121	8,620	8,620	5,006
—Price, Bassein	17 0	6 10 1/2	7 1 1/2	7 10 1/2
Tapioca—Pearl, medium	18 6	23 0	14 0	17 6
Hay—Best	97 6	107 6	82 8	95 0
Hops—English	24 18	25 5	26 5	25 28

ANIMAL FOOD.				
Beef—Argen chilled hndqrs. 8lb	5 10	6 2	3 8	3 10
— Scotch sides	6 8	4 8	5 4	4 10
— English	6 0	6 4	4 2	4 6
Mutton—Scotch	6 4	6 8	6 0	6 4
— English wethers	6 0	6 4	4 8	5 4
— New Zealand frozen	4 7 1/2	5 0	2 4	3 2
Pork—English	5 8	6 0	4 2	4 6
Bacon—Irish	88 0	95 0	61 0	74 0
— Danish	88 0	95 0	60 0	70 0
Hams—Amer. long cut	74 0	82 0	74 0	79 0
— short cut	70 0	73 0	71 0	74 0
Lard—Amer. pale	49 3	47 6	51 9	52 9
Butter—Danish	155 0	158 0	120 0	124 0
— Siberian	122 0	132 0	96 0	104 0
— French	120 0	144 0	100 0	112 0
— New Zealand	134 0	142 0	100 0	110 0
— A. & S. Island	134 0	142 0	100 0	110 0
Cheese—Danish	84 0	88 0	62 0	63 0
— New Zealand	90 0	93 0	64 0	65 0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Bel. & O. Down July	2	80	—	£5,699	+ 1,214	26	91,808	+ 10,715
Cork, Bar. & S. July	2	103	—	2,411	—	14	53,010	+ 2,800
Dublin & S. M. July	2	160	—	6,901	—	12	135,910	+ 2,933
Gt. Northern July	2	561	—	27,305	+ 775	26	577,395	+ 20,085
Gt. S. & Western July	2	1,130	—	34,805	+ 345	26	822,806	+ 89,495
Mid. Gt. West. July	2	538	—	9,160	—	4,006	324,936	+ 9,370

\* On August 6, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Assam Bengal May	29	862	+50	1,24,000	+ 3,009	9	11,25,000	+ 38,839
Barsi Light June	5	116	—	18,100	—	600	2,52,200	+ 76,900
Bengal & N.W. June	5	2,041	+13	3,87,290	+ 42,742	10	38,02,680	+ 7,17,182
Bengal Doorga June	5	163	—	27,232	—	1,223	2,20,178	+ 28,945
Beng. Nagpur June	5	2,685	+ 7	7,12,000	+ 94,000	10	77,47,000	+ 2,64,000
Bomb. Baroda July	3	2,859	+32	10,01,000	+ 69,000	14	1,72,50,000	+ 9,13,000
Burma May	29	1,342	—	4,47,738	—	43,812	36,02,280	+ 6,94,765
East Indian July	3	2,718	—	20,19,000	—	57,000	2,97,00,000	+ 5,50,000
Gt. Indian Pen. July	3	2,981	+15	11,77,600	+ 1,78,000	14	2,29,33,469	+ 15,17,383
Madras & S.M. June	5	3,132	—	9,70,000	+ 35,103	10	90,85,000	+ 72,791
Nizam's Guar. June	5	797	—	1,83,652	—	36,221	19,73,151	+ 5,08,894
Roh. & Kumaon June	5	571	+ 2	79,415	—	8,438	7,59,390	+ 35,589
South Indian June	5	1,763	+10	5,86,682	+ 22,717	10	53,83,680	+ 3,79,749
South Punjab M. of Feb.	2	923	—	5,88,334	+ 1,35,255	5	30,57,567	+ 5,07,641

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Can. Northern June	30	4,965	+295	\$379,300	+ 133,000	52	17,225,600	+ 5,475,000
Can. Pacific June	30	12,748	+828	2,163,000	+ 884,000	52	98,343,000	+ 30,978,000
Gd. Trk. Pacific June	30	1,104	—	£15,973	—	10,430	349,474	+ 160,282
Grand Trunk June	30	4,008	—	254,523	—	3,773	3,800,323	+ 378,225
Grd. Trunk W. June	30	3,308	—	40,141	+ 2,436	26	714,421	+ 5,256
Det. Gr. Ha. June	30	189	—	14,840	+ 1,728	26	247,188	+ 5,360
Mashonaland M. of Apr.	7	751	—	41,170	—	19,350	288,310	+ 176,860
Mid. W. Aust. M. of Apr.	27	277	—	7,147	—	6,077	87,986	+ 39,631
New Cape Cont. June	12	205	—	1,617	—	125	44,466	+ 211
Rhodesia Rlys. M. of Apr.	1,397	—	—	59,464	—	32,732	421,631	+ 174,309

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Alroy & Gandia July	3	33	—	£14,000	—	5,000	354,900	+ 1,950
Antofagasta July	4	819	—	£24,670	—	7,360	556,245	+ 397,589
Arauco July	4	844	—	£6,975	—	2,475	19,125	+ 6,550
Arg. N. East. July	3	752	+ 85	£6,633	—	367	250,752	+ 87,387
Arg. Transand. June	26	111	—	£150	—	170	47,130	+ 46,780
Bolivar June	3	110	—	£8,250	—	1,648	86,189	+ 25,698
Brazil M. of Apr.	3,362	—	—	\$3,080,000	+ 239,757	47	12,681,000	+ 787,340
Paulista M. of Apr.	721	—	—	\$1,550,000	+ 59,123	47	7,350,000	+ 339,662
Morgana M. of Apr.	1,131	+ 57	—	\$1,313,000	+ 125,225	47	8,570,000	+ 617,804
B.A. & Pacific July	3	3,535	+ 29	£75,000	—	9,000	—	—
B.A. Gt. So. July	4	3,792	+ 83	£80,000	—	4,000	—	—
B.A. Western July	4	1,867	+ 75	£43,000	—	3,000	—	—
Cent. Argentine July	3	3,307	+ 45	£128,300	+ 1,200	1	—	—
Cent. Uruguay July	3	271	—	£11,789	+ 1,537	1	—	—
„ (E. Ext.) July	3	311	—	£3,791	+ 736	1	—	—
„ (N. Ext.) July	3	185	—	£1,945	+ 627	1	—	—
„ (W. Ext.) July	3	211	—	£1,281	+ 32	1	—	—
Colomb. Nat. M. of Apr.	86	—	—	£9,700	—	500	47	37,900
Col. Rys. & Nav. M. of May	654	—	—	£19,809	+ 6,677	11	224,066	+ 52,213
Cor. Central July	3	1,186	—	£36,600	—	25	1	—
Cuban Central July	3	364	+ 9	£9,141	+ 1,480	1	—	—
Dorada Ext. M. of May	71	—	—	£8,400	—	2,000	36,800	+ 2,000
Egyptian Delta June	10	619	—	£3,584	—	2,147	10	26,884
Entre Rios July	3	730	—	£10,100	—	400	1	—
Gt. S. of Spain June	26	104	—	£62,890	+ 5,535	26	1,451,056	+ 340,792
Gt. W. Brazil July	3	1,010	—	£6,900	—	2,700	283,100	+ 91,700
La Guaira & Ca. M. of June	23	—	—	£8,250	—	1,750	42,250	+ 17,250
Leopoldina July	3	1,806	+ 54	£25,197	+ 940	27	752,581	+ 81,446
Manila North July	3	315	+ 10	£4,985	—	1,786	160,985	+ 30,092
„ South July	3	266	+ 91	£2,966	—	494	27	104,483
Mid. Uruguay M. of June	319	—	—	£10,532	+ 580	127	113,751	+ 14,636
Nitrato (2 wks.) June	30	368	—	£13,700	—	13,397	26	130,014
N. W. Uruguay M. of June	113	—	—	£22,300	—	333	127	322,228
Paraguay Cent. July	3	255	—	£372,000	+ 108,000	52	14,329,000	+ 1,532,000
Peruvian Corp. M. of June	1,059	—	—	£759,374	+ 244,044	12	8,359,705	+ 4,171,249
Puerto Cabello M. of Apr.	24	—	—	£3,415	—	585	47	16,121
Salvador July	3	100	—	£22,750	+ 5,250	1	—	879
San Paulo June	27	1,534	—	£22,256	—	9,011	26	697,737
Tatral M. of June	184	—	—	£10,500	—	14,220	127	132,896
U. of Havana July	3	681	—	£23,839	+ 4,829	1	—	176,687
Urug. Northern M. of June	1	73	—	£1,936	+ 132	127	—	—
W. of Havana July	3	147	—	£4,694	—	679	1	18,266
Zafra & Elva. M. of May	112	—	—	£7,553	—	6,981	57	36,187

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine July	1	3,694	+21	£48,158	+ 3,601	26	1,332,691	+ 125,048
Ankand (4 wks.) June	4	254	—	£20,511	—	408	248,109	+ 798
Broad Trunk M. of May	—	—	—	\$6,670,110	+ 489,280	51	31,092,170	+ 636,882
Brisbane Electric M. of June	30	—	—	£29,880	+ 1,290	61	178,500	+ 9,525
Bristol July	2	31	—	£10,371	—	118	264,453	+ 20,484
British Columbia M. of May	242	—	—	£12,568	+ 165,746	117	6,808,470	+ 1,320,434
Calcutta July	3	354	—	£66,648	—	1,802	27	17,17,015
Cape Electric M. of May	42	30	—	£18,016	+ 1,134	117	186,210	+ 1,773
Carth. & Herr. M. of June	9	—	—	£2,059	+ 654	61	10,648	+ 1,743
Cork Electric July	1	94	—	£1,041	—	44	26	29,025
Dublin United June	2	544	—	£6,833	+ 888	26	156,725	+ 6,091
Havana Electric June	20	—	—	£50,050	+ 2,462	25	1,269,185	+ 79,907
Ile de Thanet July	3	19	—	£474	—	674	40	11,271
Kaloorie M. of Apr.	204	—	—	£2,841	—	21	47	10,203
Lancashire July	1	284	—	£2,009	—	6	26	48,171
London C.C. June	30	1414	—	£44,534	+ 1,094	13	530,397	+ 47,735
Madras Electric June	30	—	—	£29,180	+ 1,495	23	342,835	+ 2,834
Manila Electric M. of May	—	—	—	\$120,475	+ 18,125	57	609,196	+ 91,873
Provincial July	3	21	—	£2,447	—	66	39	60,633
Rangoon Electric M. of May	25	—	—	£4,987	—	436	57	24,748
U. of Monterideo M. of June	90	—	—	£24,268	+ 3,783	81	226,692	+ 30,554
Yorks. W. Rdng. July	4	24	—	£1,541	—	85	27	41,543

(a) Net earnings after taxes. (b) Net earnings before tax. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the *New York Commercial and Financial Chronicle* covering 247,701 miles of road. (f) Aggregate of *New York Chronicle's* monthly compilations. (g) Miros. (h) Compared with previous year. (i) Months. (j) Track miles. (k) Includes Detroit, Grand Haven and Milwaukee Railway. (l) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
481 Cos. (000's omitted)	Apr. (e)	\$237,896	-	\$83,394	-
10 mos. to Apr. (f)	2,443,973	-	167,320	887,515	-
Alabama Gt. Southern b	Apr. 10 mos.	414,000	-	13,000	108,000
Ala. New Or. Tex. & Pac. a	10 mos. to Apr.	3,972,000	-	609,900	910,000
Ala. & Vicksburg a	May	128,000	-	12,000	19,000
11 mos. to May	1,398,000	-	353,000	122,000	102,000
New Orleans & N. E. a	May	285,000	-	43,000	56,000
11 mos. to May	3,267,000	-	633,000	604,000	42,000
Vicks. Shreve, & Pac. a	May	123,000	-	10,000	9,000
11 mos. to May	1,298,000	-	428,000	65,000	223,000
Atchison, Top. & S. Fe. a	May	9,602,000	+	722,000	2,842,000
11 mos. to May	107,713,000	+	6,875,000	23,101,000	2,855,000
Atlantic Coast Line a	May	2,597,000	-	458,000	565,000
11 mos. to May	29,209,000	-	4,771,000	6,630,000	1,953,000
Baltimore & Ohio b	May	8,276,000	+	544,000	3,133,000
11 mos. to May	83,152,000	+	8,051,000	24,707,000	4,110,000
Canadian Northern b	May	1,193,900	-	447,700	322,900
11 mos. to May	16,024,300	-	6,021,000	4,493,400	1,395,000
Canadian Pacific b	May	7,261,000	-	2,535,000	2,443,000
11 mos. to May	91,353,000	-	28,407,000	30,897,000	8,193,000
Chesapeake & Ohio b	May	3,523,000	+	459,000	1,215,000
11 mos. to May	35,827,000	+	1,895,000	10,843,000	642,000
Chicago & N. Western a	May	6,396,000	-	290,000	1,562,000
11 mos. to May	76,332,000	-	3,603,000	20,393,000	552,000
Chlo. Burl. & Quincy b	Mar. 8 mos.	6,856,000	-	846,000	1,968,000
11 mos. to Mar.	70,218,000	-	2,639,000	25,462,000	791,000
Chicago Great Western b	May	1,088,000	-	10,000	208,000
11 mos. to May	12,739,000	-	446,000	3,092,000	61,000
Chlo. Mil. & St. Paul a	May	7,244,000	+	133,000	1,694,000
11 mos. to May	83,244,000	+	2,134,000	21,894,000	2,466,000
Chic. Rock I. & Pacific a	May	5,337,000	+	362,000	804,000
11 mos. to May	63,288,000	+	2,816,000	12,985,000	902,000
Ch. St. P. Min. & Omaha b	Apr. 10 mos.	1,323,000	-	67,000	382,000
11 mos. to Apr.	15,420,000	-	283,000	4,377,000	70,000
Clev. Cln. Chlo. & St. L. a	May	2,954,000	+	203,000	609,000
5 mos. to May	14,058,000	+	429,000	2,361,000	2,416,000
Colorado & Southern a	Apr. 10 mos.	1,017,000	+	91,000	185,000
11 mos. to Apr.	12,082,000	+	771,000	3,141,000	704,000
Cuba Railroad b	Apr. 10 mos.	546,000	+	1,000	318,000
11 mos. to Apr.	4,208,000	+	62,000	2,137,000	64,000
Delaware & Hudson b	May	1,879,000	-	24,000	643,000
5 mos. to May	8,868,000	+	80,000	2,861,000	492,000
Denver & Rio Grande a	May	1,734,000	-	45,000	593,000
11 mos. to May	19,916,000	-	1,811,000	6,664,000	233,000
Erie Railroad a	May	6,182,000	+	318,000	1,100,000
5 mos. to May	24,177,000	+	1,046,000	4,787,000	530,000
Grand Trunk Railway a	May	6706,600	-	680,800	6208,650
5 mos. to May	3,271,450	-	339,800	730,250	25,200
Grand Trunk Western a	May	118,400	+	300	1,200
5 mos. to May	585,300	+	650	Dr. 7,000	8,700
Great Northern b	May	\$4,802,000	-	\$1,185,000	\$1,050,000
11 mos. to May	61,940,000	-	8,811,000	27,687,000	1,144,000
Hocking Valley b	Apr. 10 mos.	442,000	+	47,000	140,000
11 mos. to Apr.	6,149,000	+	953,000	1,618,000	298,000
Illinois Central a	May	4,839,000	-	383,000	681,000
11 mos. to May	67,230,000	-	3,861,000	10,398,000	479,000
Kansas City Southern a	May	830,000	-	66,000	267,000
11 mos. to May	9,243,000	-	747,000	2,845,000	313,000
Lehigh Valley a	May	3,845,000	+	99,000	1,220,000
11 mos. to May	38,891,000	+	645,000	6,899,000	780,000
Louisville & Nashville a	May	4,163,000	+	376,000	829,000
11 mos. to May	47,431,000	+	8,019,000	9,218,000	2,274,000
Michigan Central a	Apr. 4 mos.	2,863,000	-	26,000	660,000
11 mos. to Apr.	10,625,000	-	83,000	1,660,000	219,000
Min. St. P. (Soo) System a	Apr. 10 mos.	2,013,000	-	173,000	461,000
11 mos. to Apr.	23,656,000	-	1,330,000	7,260,000	44,000
Miss. Kansas & Texas b	May	2,288,000	+	67,000	469,000
11 mos. to May	30,520,000	+	938,000	9,338,000	1,454,000
Missouri Pacific a	May	4,574,000	+	107,000	778,000
11 mos. to May	53,654,000	+	1,628,000	11,962,000	1,027,000
New York Central a	May	13,334,000	+	949,000	3,716,000
5 mos. to May	61,646,000	+	1,725,000	13,477,000	4,953,000
N. Y. N. Haven & Hart, a	Apr. 10 mos.	6,537,000	-	39,000	1,450,000
11 mos. to Apr.	63,296,000	-	2,673,000	14,112,000	2,047,000
N. Y. Ontario & Western a	May	713,000	-	68,000	176,000
11 mos. to May	8,212,000	-	212,000	1,957,000	130,000
Norfolk & Western a	May	4,010,000	+	237,000	1,367,000
11 mos. to May	38,608,000	+	2,295,000	11,670,000	90,000
Northern Pacific a	May	4,650,000	-	657,000	1,341,000
11 mos. to May	57,836,000	-	6,803,000	19,446,000	681,000
Pennsylvania System : E. of Pittsburgh a	May	20,287,000	-	12,000	4,885,000
5 mos. to May	91,261,000	-	4,342,000	14,138,000	477,000
W. of Pittsburgh a	May	9,254,000	+	64,000	1,891,000
5 mos. to May	41,908,000	+	2,143,000	6,151,000	258,000
Pitts. C. C. & St. Louis a	Apr. 4 mos.	3,162,000	+	87,000	571,000
11 mos. to Apr.	11,929,000	+	734,000	1,846,000	140,000
Phila. & Reading Ry. b	May	4,082,000	-	141,000	1,300,000
11 mos. to May	43,405,000	-	3,178,000	13,340,000	1,122,000
Phila. & R. Coal & Iron b	Apr. 10 mos.	3,607,000	-	705,000	110,000
11 mos. to Apr.	25,827,000	-	1,960,000	647,000	135,000
St. L. & San Francisco a	Apr. 10 mos.	3,397,000	+	79,000	915,000
11 mos. to Apr.	37,148,000	+	2,091,000	10,273,000	1,045,000
Seaboard Air Line a	Apr. 10 mos.	1,971,000	-	273,000	621,000
11 mos. to Apr.	17,859,000	-	3,528,000	4,425,000	1,434,000
Southern Pacific a	May	10,592,000	-	391,000	2,653,000
11 mos. to May	117,902,000	-	9,074,000	32,091,000	2,573,000
Southern a	May	4,917,000	-	704,000	1,338,000
11 mos. to May	67,456,000	-	8,063,000	12,260,000	3,277,000
Union Pacific a	May	6,584,000	-	254,000	1,827,000
11 mos. to May	79,630,000	-	6,194,000	27,354,000	1,711,000
Wabash b	May	2,363,000	+	59,000	295,000
11 mos. to May	26,600,000	+	1,080,000	5,090,000	320,000
Western Pacific b	Apr. 10 mos.	440,000	-	9,000	100,000
11 mos. to Apr.	4,689,000	-	679,000	930,000	48,000



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# The Statist.

LONDON, SATURDAY, JULY 10, 1915.

## THE NEW LOAN. A HUGE SUCCESS.

THE subscription list to the War Loan of unlimited extent will close to-day (Saturday), and the result will afford to the world some indication of the financial strength of the British people. The total sum needed to balance the Budget of the current year, as the Chancellor of the Exchequer stated, is upwards of £900,000,000. Of this amount about £173,000,000 has been supplied by an issue of Treasury bills, and the deficit remaining to be covered by the existing Loan is about £750,000,000. The applications so far received are enormous, investors and bankers alike having doubled or more than doubled their subscriptions to the last War Loan. Therefore we anticipate that, when the lists close to-morrow, it will be found that the deficit in the Budget will be entirely met. Such a subscription is indeed one of which the country may well be proud.

Of course, in order to redeem its voluntary promise to provide this vast sum of money the nation will need to save a much greater portion of its income than normally. Roughly speaking, in making these vast subscriptions investors have agreed to carry out the request of the late Chancellor of the Exchequer that they should save twice as much as usual. It is the custom of the British people to meet a difficult situation boldly, and, indeed, to treat it as non-existent, and it has been in this spirit that investors and others have promised to supply the country and the new Chancellor of the Exchequer with such a vast sum of money in the current year. When things need to be done it is the habit of the British people to do them well, and now that they are beginning to realise the important part which money will play in the War they are likely to provide it in abundance. Indeed, we anticipate that the economy of the country now that economy is necessary will be so great that not only will the Budget deficiency of the current year be provided for, but a sum will be collected in advance against the possibility of a still greater deficiency in the Budget of next year should the War continue. No one can doubt the power of the British people to provide £1,000,000,000 a year for the War if they desire to do so. The existing expendi-

tures of the country, both public and private, are enormous, and it will be realised that the greater the expenditure the greater is the power of economy when economy becomes essential.

Roughly speaking, the expenditure of the British people per head of population, excluding the sums they devote to capital purposes, is about £42.5 per annum, or more than twice as great as was the expenditure *per capita* two generations ago, and more than five times greater than three generations ago. To provide the additional savings needed for the War merely means a reduction in the expenditure per head of about £10 per annum, or, still better, an increase of about £10 per head in income. If the British people are really in earnest they can increase their income even in War time, and to the extent that they do so a curtailment of expenditure for the purpose of providing for the War expenditure will be unnecessary. We anticipate, indeed, that the extra £400,000,000 or £500,000,000 of savings needed to provide for the War outlays will be supplied, in part at any rate, by both men and women working harder and more efficiently than hitherto. Already this is observable. Men of all classes are working longer hours and with greater zeal, while great numbers of women, previously employed in what may be termed the consumption industries or living lives of idleness, have become productive workers, and are adding largely to the national income and the national production. Every woman in the country has shown her anxiety to do her part in this great War by encouraging a husband, son, or sweetheart to enlist, and, as far as she is able, is prepared to place her services at the disposal of her country for whatever purpose they can be most productively employed, and at the same time to institute the most rigid economies into her expenditure. It is true that great numbers of women at the present time are spending money more freely than ever before in consequence of the high wages and allowances they are receiving. But this is due to the fact that the need for economy and for increased production has not hitherto been generally recognised. Now that it is being recognised there is evidence in all directions that the women are prepared to take their places by the side of the men in adding to the income of the country and in effecting whatever economy in expenditure may be essential.

The result of these conditions cannot fail to be an increase in income—notwithstanding the withdrawal of nearly 3,000,000 of men from industrial pursuits into the army—coupled with a great reduction in the waste of money that is now taking place. Moreover, the need for economy is being realised not merely by the working and middle classes, but by all classes. The resolution moved in the House of Lords this week by Lord Midleton urging the Government to effect economies in its expenditure upon the Civil Services, and the reception it had from the House, indicate that the aristocratic and wealthy classes are as keenly alive to the need for economy as are the middle and working classes, and that they are prepared to do their share in adding to the income and reducing the expenditure of the nation.

When one considers the amount of land throughout the British Isles that is untilled and uncultivated, and the power which the landlords possess of bringing that land into cultivation and thus increasing the income of the country at a time such as this, and that what the landlords can do on a great scale the middle and working classes can do on a more limited scale, one realises how greatly the income of the country can be expanded.

In brief, the unprecedented success of this the greatest loan that has ever been placed, is a demonstration to the world that the British people are in earnest in carrying on the war into which they have been forced, and that they are prepared to bring into play the whole of their energy and to submit to whatever sacrifice is needed to provide all the men and all

the money needed to ensure success, however long or severe the struggle may be.

It should be remembered that the subscriptions of the working classes have yet to be received, and that the additional amount subscribed through the Post Office by weekly payments will probably realise a greater sum than has ever before been saved by the working classes of this country in a similar period.

## SOUTH AFRICAN FINANCIAL AFFAIRS.

(FROM A SOUTH AFRICAN CORRESPONDENT.)

INTERESTING and important developments have taken place in South African banking conditions since the outbreak of war. These changes may be profitably studied from the statistics of the banks of the Transvaal, Cape, Natal, and the Orange Free State published periodically in the *Union Gazette*.

From the date of the inauguration of Union until the outbreak of war the predominant economic feature in all four provinces was the scarcity of capital; and the general effect of this feature was to cause an increase in banks' facilities to their clients in a much greater ratio than that of their deposit resources. Thus, between June 1910 and June 1914, the *Transvaal* Bank advances increased by nearly £2,000,000, whereas deposits within the same province actually declined by £1,300,000. The *Cape* advances rose by £3,000,000; and so did the deposits. In *Natal* the advances rose by £700,000, but deposits did not appreciably alter. The *Orange Free State* returns register an increase of £1,300,000 in advances, and a decrease of a similar amount in deposits.

For the whole Union we find between the middle of 1910 and that of 1914 a net increase of only £400,000 in deposits, as compared with a rise of £7,000,000 in the advances. Thus it appears that the coastal provinces now supply the reserve supplies of capital, while the inland provinces occasion the drain on the same. This fact is also conspicuous in the Land Bank returns, the loans of which have grown rapidly since union. Applications for loans received by that institution have emanated largely from the Transvaal and the Orange Free State. A few years ago the Transvaal was the great depôt of reserve capital in South Africa, but of late the Cape has made rapid strides in this direction. It is significant in this connection that the various corporation and municipal loans issued on the local market during the last few months have been mainly subscribed for by residents in the Cape peninsula. Cape Town has now become the recognised investment centre of the Union. Just as bank advances increased rapidly during the active period which preceded the outbreak of war, so they have subsequently contracted conspicuously owing principally to the decline in South Africa's oversea trade. Between June 1914 and March of this year there was a decrease of £2,500,000 in the bank advances of the four provinces. On the other hand various factors had operated to increase the deposit total, among which may be mentioned the accumulation in banks of Government and municipal loan moneys; the lessened demand for money for ordinary trade purposes; and the absence of opportunities for investment locally. Between June and March fixed deposits rose by £1,200,000, and current deposits by no less than £2,900,000. As regards the ratio of advances to deposits the general banking position is now much better than it was during the few years which preceded the outbreak of war.

In normal times the South African note circulation fluctuates between £2,300,000 and £2,400,000. Each province has its own system of issue, but 50 per cent. of the entire circulation consists of the notes issued in terms of the Cape Bank Act of 1891, and which are "legal tender" in the Cape and Rhodesia. Until last year no great enthusiasm had been shown

for notes of small denominations; and banks had practically discontinued issuing in sums below £5. War conditions, however, made it necessary to make strenuous efforts to economise the use of specie; and so the thoughts of bankers naturally turned to the question of popularising the issue of £1 notes. The result has been gratifying in all corners of the Union, for the total circulation has risen steadily from £2,300,000 in June 1914 to about £2,700,000 at the present time. The present level is abnormal, and it has been attained during a period of marked business contraction. The specie reserves of the banks within the Union have not been so high in relation to demand liabilities during the last two or three years as formerly. Coin has flowed freely into the country year by year, but the banks have failed to hold any considerable proportion of the addition; and it is evident that a portion of the imported specie drifts out of circulation regularly. At the end of last year the Union reserves had fallen below £6,000,000, as against current and fixed deposits of nearly £35,500,000, and a note circulation of £2,300,000. This year, however, banks have been importing large quantities of specie and so replenishing their reserves.

Exchange rates during the war period have shown a remarkable steadiness despite a great change in the ratio of imports to exports, and the necessity for importing large sums in the shape of British Government loans. For a time after the declaration of war banks restricted both purchases and sales of bills and drafts on London; and rates stiffened accordingly. Banks' rates of premium on sales are considerably higher now than in normal times; but the rates of discount on purchases are not appreciably higher than those quoted on normal occasions. There has naturally been a great falling-off in the volume of transactions owing to the condition of the diamond and ostrich feather markets; but of late a great recovery has taken place in the exports of wool, angora hair, and hides and skins.

## THE INDIAN MONSOON.

THE Indian monsoon has broken very late this year. But that is not an unusual thing. It has broken sometimes early in June, more frequently about the middle of June, and not very seldom at the end of June. Sometimes when it begins early it ends early also, and, therefore, proves disappointing. Very often when it begins late it continues late, and so has the happiest consequences. Most earnestly is it to be hoped that this year's monsoon will continue long, and will give all the moisture to India that it requires. It will be recollected that the monsoon of two years ago began fairly early, but turned out disappointing in the end, whereas last year's monsoon began about the middle of June and lasted well into October. It has been a most fruitful monsoon. All the crops have been excellent. And India, in consequence, is highly prosperous. India, the reader will not forget, is to all intents and purposes an agricultural country. He will bear in mind that while the population of India exceeds 315 millions, there are only 30 towns in the whole Empire with 100,000 inhabitants and over. To all intents and purposes, then, the population is dependent, either directly or indirectly, upon agriculture. For the sake of India, therefore, it is most earnestly to be hoped that the monsoon will prove good; and it is, of course, not so urgently necessary, but it is highly desirable, also, in our own interest. This year, for example, the price of bread has been exceptionally high; partly because of the closing of the Dardanelles, partly because of the failure of the crops in Australia, and partly because of the disturbance of trade in every way by the War. The price would have been higher still were it not for the abundant crops of India and the judicious manner in which the Indian Government took into its own hands the sale of wheat.

## THE WAR.

Rumours from many quarters are to the effect that Germany is transferring very large forces from the Eastern theatre of operations to the West—rumours which seem to be confirmed by the slackening of the German offensive in Poland, and by the defeat of the Austrians. Moreover, it is impossible to doubt that if large forces are being transferred the fact must be known to a great number of persons along the lines of communication. Consequently it is difficult to resist the conviction that there is a certain amount of truth in the statement. At the same time it must be admitted that one would naturally expect that the German General Staff would decide to press to the very utmost the advantages that have been gained over the Russians. Russia is, singly, the most formidable of all the adversaries of the Central European Empires. It would seem natural, therefore, that the Germans, being well aware of this, should push the advantages they have just secured to the very utmost in the hope of inducing Russia to accept a peace which would not be humiliating or severe. One would anticipate, indeed, that Germany would offer to conclude an arrangement on the basis of a return to the state of things just before the War broke out. It is true that Russia is pledged to the Poles to re-unite Poland, and to grant it autonomy and the use of its own tongue. It is also true that Russia has bound herself to her Allies not to make a separate peace. Those facts, however, would be hardly likely to weigh much with a Government like the German, which has shown itself so utterly regardless of the plighted word. Therefore, we should have been quite prepared to hear that Germany had offered exceedingly favourable terms in the hope of withdrawing Russia from the Coalition. We need not inquire what would be the answer of Russia if the proposal had been made, for the facts seem to prove that, whether offered or no, it has not been accepted. On the contrary, it appears to be true that the Russian Government is taking serious steps to bring into operation its promises to the Poles. For instance it is stated that conferences between high Russian functionaries and influential Polish personages, under the chairmanship of the President of the Council, are being held, the object being to work out a plan for giving practical effect to the promises made in the famous manifesto of the Grand Duke Nicholas. It is time that some such step should be taken, for it is alleged that the delay in taking measures of any kind has seriously troubled the leading Polish personages who had declared themselves favourable to the Grand Duke's plans. But the very fact that such conferences are being held would seem to furnish a strong additional argument for Germany pressing to the utmost the advantages which she has recently gained in the field. Russia is of such immense extent, and her population is so numerous, that if she is given time to organise her resources she will certainly be able to overwhelm the two Central European Empires. Consequently, every sound consideration would seem to urge the two Empires to push their advantages at the present moment as far as they can be carried in the hope of coming to some kind of temporary arrangement with Russia. If it really turns out that the opportunity has to be disregarded, and that a large part of the German forces in the East are being transferred to the West, the fact affords the clearest proof yet given that the resources of Germany are being rapidly exhausted.

Germany originally planned to overrun France and compel her to submit before Russia could be prepared to assist her. The plan utterly broke down, and Germany was compelled to transfer a large part of her forces from the West to the East. Now it would seem to be the clear interest of Germany to finish in some way or other with Russia. At the moment we in this country are unable to begin the offensive

which we have looked forward to for so long because our supply of munitions is not adequate. Therefore it would look as if the Germans could afford to let matters rest somewhat as they are in the West, provided they could thereby come to any terms of any kind which would rid them of the hostility of Russia. If they cannot do that the Russian forces will grow enormously, and by-and-by the Germans will find themselves in a desperate position. The argument just set out becomes all the stronger if it turns out that a satisfactory arrangement is arrived at between the Russian Government and the leaders of the Poles. Nobody seriously doubts that the Prussian Poles would gladly welcome any change which would free them from Prussian domination. Prussia has been, if possible, more brutal in her treatment of Poles than has Russia, and infinitely more brutal than Austria. Therefore, if the Russian Poles are sufficiently satisfied in the conferences now going on to use all their influence with their brethren in Prussia, it is reasonable to conclude that the Prussian Poles will welcome the Russians whenever the latter are in a position to cross the German border. With regard to the Austrian Poles the matter is different. The Austrian Poles proper have been, considering all the circumstances, favourably treated by the Austrians. Galicia is autonomous, and practically the Poles control the local government. Therefore, the Galician Poles will not be induced to turn against Austria unless some additional offer is made to them. That they will so turn is rendered the more unlikely because of the enmity between themselves and the Ruthenians. They now rule the Ruthenians; whereas they would naturally fear that if they became subjects of the Tsar the Ruthenians might be regarded with greater favour. The condition of things, then, in Galicia is doubtful. But if the Poles of the Kingdom and the Poles of Prussia both welcome the Russians, it is very unlikely that the Poles of Galicia will be able to offer very much opposition, especially as it is clear that without Germany's support Austria would already have gone down, and that, if Germany cannot maintain an overwhelming force in the East, Austria alone will be able to make no serious opposition to Russia, the more particularly now, when she has to defend herself against Italy, and when at any moment she may find the Balkan States also attacking her.

The conclusion forced upon us, then, by a consideration of all the circumstances is that Austria-Hungary is torn asunder by race animosities; that the organisation, military as well as political, is bad; and that neither the Austrian Germans, nor the Magyars, nor both together, can offer a really formidable resistance to Russia if they cannot reckon upon powerful help from Germany. With regard to Germany herself, it seems incredible, for all the reasons stated, that she would give time to Russia to reorganise her armies, to bring up large reinforcements from the interior, and to use all her influence with the Balkan States to join her if she had men enough to push her present advantage against Russia, and yet entertain no fears regarding France and Belgium. Everybody in this country is aware now of the urgent need there is for plentiful supplies of munitions of every kind. Volunteers are offering their services in great numbers. Mr. Lloyd George, with his great energy and ability, is organising the new Department. We all hope, therefore, that in a very short time we shall be able very largely to increase our forces in France, because we shall be in a position to supply them with all the munitions they require. If that be so, France is just now fully prepared. If we can back up the latter with additional troops and with unfailing supplies of munitions, Germany will find herself by and by in a very difficult position. And if, just when we are attaining to a formidable strength, Russia succeeds in bringing up powerful reinforcements, what will be the position of Germany then? In this Journal we have maintained from the very

outset of the War that the German Government had utterly miscalculated; that, however able the Messrs. Krupp were, and however excellent the German bankers may have made their estimates, the Government itself was utterly wrong in all its plans, and could not bring to their execution anything like the numbers with which it was credited. Very nearly a year has now elapsed. The Germans have not succeeded farther than they had succeeded in September last. On the contrary, they are losing ground. That alone shows that their resources are giving out. But when it is added that at this critical moment, when England, in want of munitions, is practically resting upon her oars, and, therefore, Germany has a chance of dealing a really staggering blow at Russia, she weakens her army in Russia and finds it necessary to increase her forces in the West, the proof seems to us incontrovertible that the resources of Germany are giving out, and that as soon as we, to use the language of M. Thomas, the French Under-Secretary for War, are in a position to supply not only ourselves but our Allies with unfailing supplies of munitions, Germany will go down far more rapidly and far more decisively than anybody yet is prepared to believe. The latest news from South Africa gives emphasis to this, for all the Germans in arms in South-West Africa have surrendered. Thus, Germany, which began the War, partly to establish her preponderance upon the Continent, and partly to win a great Colonial Empire, before the first year of the conflict is over, finds herself bereft of nearly all the colonial possessions which she had before she drew the sword.

### RUSSIA ON THE DEFENSIVE.

THE apprehensions spread abroad recently by the militarist and sensationalist Press, and by persons of the same disposition in the clubs, are now seen to have been grossly exaggerated. Russia, as every well-informed person anticipated, has shown how strong she is on the defensive; and, therefore, we have additional proof that the turn of the tide is beginning. At the same time, it may be well to recognise quite clearly the advantages which a nation has which deliberately, for a long time beforehand, prepares carefully and fully for aggression upon its neighbours. Germany did this. Not only did she train an exceptionally large proportion of her male population year after year, and keep up in peace time excessive standing armies, but she, with extraordinary forethought, provided herself with munitions of war upon a colossal scale, together with the means of making further provision if the need arose. Lastly, she has for a great many years been building strategic railways for the express purpose of enabling her to shift great bodies of armed men from one frontier to another, so that if she should at any time be urgently pressed in one direction, she might divert from some other direction where she might be strong a proportion of the forces there acting. Owing to this unquestionable foresight, she began the War with an immense advantage over those she attacked. We ourselves have always neglected preparation beforehand. The Navy is an exception. Undoubtedly, for several years past we have paid great attention to the Navy. We have secured the greatest Navy the world has ever seen. In consequence, from the very day on which war was declared to the present time we have had almost complete control of the seas. But our land forces were much neglected, and our munitions were shamefully left insufficient. In speaking of the Army, however, it is to be borne in mind that both parties in the State had agreed that we were not to send large armies abroad except for the defence of India, and that, therefore, it was enough to keep up a force sufficient to provide an adequate garrison for India and to protect the United Kingdom. Taking that view of the case there is no question that Lord Haldane's reorganisation of the Army has proved won-

derfully satisfactory. The Germans, having started the war with all the advantages conferred by more than a generation of preparation, yet were stopped in their onrush at the Marne, partly because, though France was not prepared, she was more ready than had been expected; partly because her people were thoroughly united and as determined as a people can be to defend their homes against the invader; and partly because our small Expeditionary Force showed the immense superiority of an Army which had been five or six years with the Colours over an Army which had had only two years' training. There can be no question, then, that the advantages of preparation are great. But there can equally be no question that preparation avails little against determined adversaries who have large resources to draw upon, and who have the courage to stand up steadily and determinedly against the invader.

We have thought it worth while to dwell upon the advantages and the shortcomings of preparation because we sincerely hope that when peace returns we shall not cast aside the lessons we have learned; but, on the contrary, shall make up our minds not to adopt universal liability to military service, but to put in force a universal system of military training. That will enable us, if we are attacked, to raise any force we may require. There is another point in connection with preparation which is often lost sight of, and, indeed, in many of the dissertations of would-be militarists is in effect denied. It is that preparation costs practically as much when it is spread over a great many years as when it has all to be done in a hurry. Preparation spread over a great many years allows of fuller consideration, more careful thought, and, therefore, provides the means for preventing great waste. But men cannot be taken in large numbers from productive industry, kept unnecessarily with the Colours, provided with everything that soldiers ought to be provided with year after year, and generation after generation, without great cost. The cost is spread over the years that precede the war; whereas in the case of a nation like our own the preparations have all to be made while the War is going on, and the cost is really spread over the coming generations. That is very nearly the main difference between the two cases; except, of course, as has already been admitted, that preparation beforehand enables every measure taken to be carefully studied, and, therefore, if there is the requisite ability, to be more adequately executed than can be the case where everything has to be done in a hurry to meet a great emergency. But, omitting the case of sheer waste, preparation for war, whether it takes place beforehand or whether it takes place while fighting is going on, must be extremely costly, and must fall either upon preceding or upon subsequent generations to a considerable extent. The ordinary advocates of universal liability to military service either are so ignorant of what they prate about, or are so dishonest in their desire to carry their agitation that they carefully conceal this aspect of the case from the public. But while we are quite agreed that preparation ought to be made beforehand, while there is time for full, careful, and even anxious consideration, we are also persuaded that, putting waste aside, the cost must be very nearly the same. Whether the efficiency of the preparations is equally great depends largely upon the class of persons who are entrusted with them. If, for example, we had put our own preparations, say during the past 10 or 20 years, in the hands of routine officials in the ordinary offices of the Government, is there any reasonable ground for believing that they would have avoided waste; that they would not have run into as great expenditure as is being incurred now, assuming that the nation was really anxious, and desired all the resources of the country to be fully developed? Of course, the nation would not be equally determined. Therefore, liberty would be given to the officials to

pure logic and to make them reflect what they did not understand; to put aside what they did not like; and probably to bungle the whole proceedings. If, on the other hand, the nation was in thorough earnest, and sought on the very best plan it could find, and Parliament carefully checked all his expenditure, then, indeed, we might avoid waste to a very considerable extent. But it is to be feared that the whole character of our public men, and for that matter of the nation at large, will have to be changed before that consummation can be reached. As it is, we neglected preparation. The French people were more far-seeing, and made more preparation. But even the French admit that they were not ready, or anything like ready. The Russian Government had engaged itself in rash adventures in the Far East; had plunged into a war which proved to be exceedingly dangerous and exceedingly costly; and, in consequence, had to reconstitute its navy and reform its army. The reform and the reconstitution were not completed when the War was forced upon it. The result, we see, is that the Russian Army, though it is a much better army in organisation, training, and leadership than the army that was defeated in Manchuria, is still not what the same army would be if Russia had been given another year or two for completing her preparations. On the other hand, we see, as has just been pointed out, that all the preparations of Germany have availed her little. In the end, we venture to state distinctly, and after careful thought, that the preparations made by Germany will cost her more than utter want of preparation would have done, because nobody intended to force a war upon her, and, therefore, she in all reasonable probability would not have been attacked; whereas, inflated with the notion that she could overrun the whole Continent, she has rushed into an adventure that will probably prove as ruinous to her as did the Thirty Years' War. Preparation, then, is an excellent thing, from whatever point it be looked at, on the part of a nation which is really peaceful—which will not attack, but means only to defend. But it is a very dangerous thing on the part of a nation that means to attack, and it may prove absolutely ruinous.

Germany has done her worst. She has attacked and failed. She has failed in the West and she has failed in the East. She has by means of her strategic railways sent vast numbers of her sons from the West to the East and back again. She has adopted a mode of warfare which costs most heavily in war. She has, therefore, before a single year has come to an end practically exhausted her really trained fighting force. She is dependent now upon boys and elderly men. And she is dependent upon them, to a great extent, partly because her strategic railways enable her to concentrate enormous forces at any point she pleases; but mainly because her opponents are not yet fully prepared. Russia, as we have just been pointing out, was attacked in the middle of her preparations, when she admitted to all the world that she was not ready; when, in fact, she was so doubtful regarding the progress of her reforms that she had made up her mind to have an experimental mobilisation to assure herself whether she was on the right course. Russia, therefore, has had to complete her preparations while fighting her enemy. It is not surprising, therefore, that even yet Russia is not prepared. Moreover, the hostility of Turkey has closed the Dardanelles against Russia—that is to say, has cut her off from free communication with the European world. While the two Central European Empires lie between her and easy communication with the outside world. On our part we were confessedly and avowedly unprepared. We have enlisted an immense Army. After a great waste of time and a great waste of money we have clothed them. But even yet we have not provided sufficient ammunition. We are in the throes of a great agitation to enable munitions to be made when the first year of the War is within a few weeks of terminating.

Not only were we not prepared beforehand, but we were stupid enough not to prepare when the emergency really came upon us. After a while our preparations will be made. So will those of Russia. Then we shall be able to put—let us estimate in moderation—two millions of men in the field. Russia, with her enormous population and with the financial assistance of England and France, ought to be able to put in the field at least six millions of men. That will make eight millions of men. Count for France three millions, it will make eleven millions, and count for Italy only a million and a half, and you have, leaving Serbia and Japan out of account, at once twelve and a half millions of men against the two Central European Empires. Is it possible for them to put against that twelve and a half millions four millions? We doubt it exceedingly. We are quite aware that certain militarist journals amongst us assert that the two Empires can put eight millions in the field, while even moderate journals estimate their resources at six millions. We do not believe either. We doubt exceedingly whether Germany and Austria-Hungary together can put four millions of men in the field. We disbelieve that they can put five millions. But even if we take five millions, or for that matter six, how long will those six millions be able to fight twelve and a half millions? It is a very simple arithmetical question. Our readers can determine it for themselves. Germany is as completely doomed as ever a nation was in the history of the world if the Allies are determined to fight this War out to a complete finish. And she is doomed partly by her own madness, springing out of militarism and the pride it excites; and partly caused by the want of leadership and even common capacity.

### MR. PIERPONT MORGAN.

It is with great pleasure we congratulate Mr. Pierpont Morgan and his family on the failure of the atrocious attempt upon him by the criminal Holt on Saturday last. It is true, unfortunately, that he received two wounds, and therefore has been subjected to suffering. But it is matter for rejoicing that the attempt did not prove worse; that the assault did not have even worse consequences. It appears to be very generally assumed that the criminal was mad. Apparently now, whether he was or not never can be satisfactorily ascertained. We ourselves, however, doubt the imputation very much, for we see nothing in the attempt to indicate aberration of mind. Mr. Pierpont Morgan is, apart from those occupying high political stations, the most eminent of United States citizens, as his father was before him. He is, besides, the business agent of the British Government, in which capacity he has been able to render important services to the people of this country. The wretched Holt, from such evidence as is known to the public, seems to have been fanatically German. Therefore, it would not be surprising if he flattered himself that he might be able to prevent the United States from supplying the enemies of Germany with war munitions if he succeeded in his wicked intentions. Since he has made away with himself the point may seem to some of our readers unimportant. In reality, however, it is not so. There is in the United States an immense number of persons of German descent, and even a very large number of persons of German birth, who entertain strong sympathies with the Fatherland. We should be sorry indeed to accuse any very considerable proportion of them of so heinous a crime as plotting to murder. But amongst so many there must be several who would not hesitate even at the worst of crimes. It is to be hoped, therefore, that the authorities in the United States will not conclude that Holt's crime was the act of a madman, and that, therefore, no special precautions need be taken. It is of the highest importance that evil-minded persons,

whoever they may be, should be made to understand that they will suffer if they have recourse to criminality.

### THE REICHSBANK.

THE return of the German Reichsbank for the last day of June, which, of course, was also the last day of the first half of the year, is extremely interesting and instructive. The reader will bear in mind that the trade of Germany has been for a very long time conducted to an immense extent upon borrowed money. The ordinary banks have been in the habit of financing traders to an extent quite unknown in this country; and the ordinary banks have found it necessary at the end of each quarter to apply for large assistance to the Reichsbank. It will be well, then, to recollect, firstly, that the last day of June always has seen in peace time, as well as in war time, a large increase in almost every item of the return of the Reichsbank; and secondly, that the Reichsbank at present is largely financing the War; and that, consequently, it is reasonable to look for a further large increase in its operations. We are not disappointed when we look at the return. But before coming to that it may be worth while to point out that on the last day of June the total gold amounted to £119,380,300, an increase for the week of £151,750. The gold, it will be observed, is still increasing. But whereas in the early part of the War it increased rapidly, now it is increasing very slowly. On the corresponding date of last year the gold held amounted to £65,307,700. In the twelve months, therefore, there has been an increase of £54,072,600, or 82.8 per cent. Furthermore, the Treasury Notes on the last day of June amounted to £22,009,000, an increase for the week of as much as £8,449,150, from which it would appear that there has been a large fresh issue of Treasury Notes. It would be interesting to ascertain what the total issue at the present moment is. At the corresponding date of last year the Treasury Notes held amounted to £2,492,950. In the twelve months, therefore, there has been an increase of £19,516,050, or 782.8 per cent. The notes of other banks held are, however, few. The total amount is only £326,150, being a decrease during the week of as much as £665,300. From which it would appear that during the week there was a strong demand on the part of the public for those notes. On the corresponding date last year the notes of other banks held amounted to £483,350. The notes in circulation on the last day of June amounted to £292,016,700, an increase for the week of £30,771,200—not a very great increase bearing in mind that it was not only the last day of the half-year, but that it was a period of active war as well. On the corresponding date of last year the total note circulation was £120,329,000. The increase during the twelve months therefore has been as much as £171,687,700, or 142.7 per cent. Coming now to the bills discounted, they amounted on the last day of June to £245,887,650, an increase for the week of £34,881,800. It will be recollected that the other banks have for a long time been in the habit of obtaining accommodation from the Reichsbank in the form of discounts, mainly because the Reichsbank charges a special commission for loans. Accordingly, the other banks generally discount with the Reichsbank short-dated bills. It would seem from the figures that the Reichsbank is very largely financing trade; for while the bills discounted are nearly 246 millions now, on the corresponding date last year they were only £60,637,300, so that there is an increase of £185,250,350, or 305.7 per cent. Of course, it is possible, and no doubt it is true, that the Reichsbank is financing the Government to an immense extent. But, in addition to that, it clearly is financing trade through the other banks on a very large scale, for an increase in the discounts of not far short of 35 millions

in a single week could only take place if the other banks found themselves compelled to resort to the Reichsbank on a very great scale.

### OUR ENORMOUS IMPORTS.

FROM the point of view of adequacy of our supplies of food and raw material the volume of our foreign trade leaves nothing to be desired. The country is buying far more food and raw material than it ever bought before in its existence. In a single month the value of the goods bought from abroad by our mercantile houses has reached the enormous total of £76,118,000, a sum far greater than ever paid before in a single month. In March the imports were valued at £75,590,000; but that month had 31 days in it, whereas June contained only 30 days. Allowing for the number of days the value of our imports last month was £3,000,000 greater than in any previous month. In comparison with June of last year, when there was no war, and our imports were normal, the expansion is nearly £18,000,000, or over 30 per cent. Moreover, it has to be remembered that the figures published in our Trade Returns do not indicate the total quantity and value of the goods imported from abroad. The Government is buying very large amounts of stores and munitions of all kinds and descriptions both for the troops at home and for those on foreign service, and a large part of these are not included in the returns. Consequently the total value of the goods bought from abroad last month was not far short of £90,000,000. Of this amount, however, about £9,000,000 was re-exported. Nevertheless, the net imports for consumption reached the great total of about £80,000,000, or at the rate of £960,000,000 a year—a truly remarkable total. It is possible that imports in June were somewhat exceptional, and will not be maintained, but in the three months to the end of June the value of our imports for consumption was no less than £192,000,000, plus the Government stores imported and not declared, and in the six months to the end of June our net imports were of the value of £378,000,000, plus Government stores and munitions of war not declared at the Customs. Hence when we make allowance for the possibility that our imports in June were exceptional, it is evident that the country is importing goods for consumption at the rate of over £900,000,000 a year.

To pay for all these goods is no easy matter. The desirable method of payment is to increase our exports to a corresponding extent, but, of course, a great many of our industries are fully occupied in producing materials for war consumption or meeting the home demand, and have no margin of capacity available for increasing production for export. Having regard to the enormous quantity of goods we are buying from abroad, it is evident that foreign and colonial countries are able to buy a very large quantity of our goods in return. Nevertheless, our export trade increases with extreme slowness. In June our exports were valued at £33,233,000, or slightly less than in May, although the number of working days was the same in both months.

The effect of our relatively small exports and our enormous imports was to cause an excess of imports over exports for the month of June of no less than £33,534,000, or at the rate of just over £400,000,000 a year. If to this be added the value of the goods imported on Governmental account and not declared at the Customs, the total excess of imports over exports for the month probably reached £44,000,000, or at the rate of considerably over £500,000,000 a year. Moreover, to this total must be added the sum of money we are remitting abroad by loans of capital to our Colonies, to our Allies, and to foreign countries, and we are now lending money in this way to the extent of considerably over £200,000,000 a year. On the other hand, however, we receive from abroad a large income from interest, freights, insurance, &c.

Having regard to the high level of freights and other circumstances, it is probable that the nation's income from these sources is now £350,000,000, and that consequently the net excess of imports over exports, after taking into account interest and services on the one hand and loans to foreign and Colonial countries on the other, is at the rate of between £400,000,000 and £500,000,000 per annum. Moreover, it is obvious that as time goes on, and the immense quantities of goods purchased from abroad on Governmental account are delivered in ever-expanding volume, the adverse balance will become greater rather than less.

Of course, the whole position will be changed if the issue of the present War Loan induces the nation to become more economical, and by curtailing consumption, to reduce imports and expand exports. The economy campaign which the Government has inaugurated should certainly do something to induce the country to become less extravagant, but it should be clearly understood that our foreign trade returns indicate that the country is growing increasingly wasteful.

At present the country is paying for its great imports, not only by exports of goods, but by shipments of gold and of securities, and at the same time is drawing in some of the floating capital it has hitherto employed abroad.

In the eleven months since the War began the net excess of imports over exports has been £297,000,000. To this figure has to be added an import of about £41,000,000 of gold on balance, and the receipt from foreign and colonial countries of probably £60,000,000 worth of goods on Government account. Furthermore, we have lent to foreign and colonial countries in the eleven months a sum of about £100,000,000, so that the total excess of imports over exports, excluding gold and loans, has been about £500,000,000. Against this we have received from abroad in interest and freights a sum of well over £300,000,000 of money, and we have liquidated the greater part of the balance of £200,000,000 by withdrawing capital previously employed abroad on floating account or invested in American securities.

It will be realised that the withdrawal of some £200,000,000 of capital in eleven months of war has not been a matter of serious consequences, especially taking into account the £100,000,000 of capital we have lent to colonial and foreign countries against the capital we have withdrawn from abroad. It should, however, be noted that at the present time we are under obligation to find loans for our Allies and our Colonies of over £200,000,000 a year, while at the same time our trade balance of imports over exports, after taking account of all income from abroad for interest and services, amounts to another sum of over £200,000,000. Consequently in one way or another we have to adjust our foreign trade account by withdrawing capital from abroad, reducing our imports, or increasing our exports, or making gold shipments to the extent of considerably over £400,000,000 a year, and that the provision of this sum will not be as easy to find as the amount provided hitherto.

The great expansion in our imports in June occurred in foodstuffs and raw materials. Our imports of raw cotton were especially large, and it is to be hoped that an expansion of about 103 per cent. in quantity is indicative of the expectation of our manufacturers of a great improvement in our exports of cotton goods. The decline of over £5,000,000, or 16.6 per cent., in the value of our exports in June in comparison with last year extended to almost every item of export, and was particularly great in cotton goods, machinery, coal, new ships, and woollen goods. Of course, if we should witness a fall in the prices of goods bought from abroad a great improvement would occur in the adverse trade balance, for as we show elsewhere in dealing with our index numbers, the rise in prices since last June has been as much as 25 points, or 30 per cent., which exactly corresponds

to the great increase in the value of our imports as disclosed by the foreign trade returns, although it is not equal to the expansion in our total imports. For the purpose of indicating the course of our foreign trade we set out below a statement of our foreign trade in June; next we give a statement showing the value of our trade for the three months to the end of June; thirdly, we give a statement showing the value of our foreign trade for the six months to the end of June; and, lastly, we show the value of our foreign trade for the eleven months since war began:—

June.				
	1915	1914	£	%
Imports ...	76,118,000	51,282,000	+17,836,000	+30.6
Re-exports ...	9,350,000	8,753,000	+ 597,000	+ 6.8
Net imports	66,768,000	49,529,000	+17,239,000	+34.8
Exports ...	33,234,000	39,873,000	- 6,639,000	-16.6
Excess imp.	33,534,000	9,656,000	+23,878,000	—

Three Months to June.				
	1915	1914	£	%
Imports ...	221,441,000	179,008,000	+42,433,000	+23.7
Re-exports ...	29,551,000	29,914,000	- 363,000	- 1.2
Net imports	191,890,000	149,094,000	+42,796,000	+28.8
Exports ...	99,022,000	121,871,000	-22,849,000	-18.7
Excess imp.	92,868,000	27,223,000	+65,645,000	—

Six Months to June.				
	1915	1914	£	%
Imports ...	429,104,000	375,903,000	+53,201,000	+14.1
Re-exports ...	51,323,000	59,276,000	- 7,953,000	-13.4
Net imports	377,781,000	316,627,000	+61,154,000	+19.3
Exports ...	183,623,000	255,457,000	-71,834,000	-28.1
Excess imp.	194,158,000	61,170,000	+132,988,000	—

Eleven Months to June.				
	1915	1914	£	%
Imports ...	691,000,000	704,000,000	-13,000,000	-1.8
Re-exports ...	80,000,000	102,000,000	-22,000,000	-21.5
Net imports	611,000,000	602,000,000	+ 9,000,000	+1.5
Exports ...	314,000,000	476,000,000	-162,000,000	-34.0
Excess imp.	297,000,000	126,000,000	+171,000,000	—

## OUR INDEX-NUMBER OF PRICES.

(In Continuation of Sauerbeck's Figures.)

THE following are THE STATIST's index-numbers of the prices of 45 commodities, the average for the 11 years 1867-77 being 100:—

Annual Numbers.			Monthly Numbers.		
Period	Average		Month	Index-No.	
1873 ...	111		July 1896 ...	59.2	
1878-87 ...	79		May 1907 ...	82.4	
1890-99 ...	66		February 1909 ...	71.9	
1905-14 ...	79		June 1914 ...	81.2	
1880 ...	88		July 1914 ...	82.4	
1896 ...	61		August 1914 ...	87.9	
1905 ...	72		September 1914 ...	89.3	
1906 ...	77		October 1914 ...	89.8	
1907 ...	80		November 1914 ...	88.8	
1908 ...	73		December 1914 ...	91.6	
1909 ...	74		January 1915 ...	96.4	
1910 ...	78		February 1915 ...	100.9	
1911 ...	80		March 1915 ...	103.7	
1912 ...	85		April 1915 ...	105.9	
1913 ...	85		May 1915 ...	107.2*	
1914 ...	86		June 1915 ...	106.4	

\* Revised figures.

After rising from November to May, the number for June has fallen slightly from 107.2 to 106.4. Since the War began the number has risen 25.2 points, or 31 per cent. On balance for June the prices of foodstuffs declined 4.8 per cent., the number for the month having been 105.8, against 111.1 for May. Compared with 74.8, the number for June 1914, the rise has been as much as 41.5 per cent. The number for materials is 2.5 per cent. higher for the month,

making a total rise of 24.7 per cent. for the twelve months.

Taking articles of food and materials separately, the index-numbers for last month compare thus (1866-77=100 in both cases):—

	Food-stuffs	Materials		Food-stuffs	Materials
Year 1873 ...	107	114	June 1914 ...	74.8	85.7
Aver. 1878-87 ...	84	76	May 1915 ...	111.1	104.3*
" 1890-99 ...	68	64	June " ...	105.8	106.9
" 1905-14 ...	75	82			
July 1896 ...	60.0	58.6	Rise % in June	- 4.8	+ 2.5
May 1907 ...	73.5	88.9			
Feb. 1909 ...	70.8	72.6	Rise % 12 mos.	+41.5	+ 24.7

\* Revised figures.

The fall last month was mainly due to lower prices of food, especially of wheat, flour, and meat. Vegetable food, in spite of a rise in rice, declined 6.5 per cent., from 110.1 to 103. This lower figure is still 36.5 points, or 55 per cent., higher than in June of last year. The index-number for animal food fell from 134.5 to 127.5, or 5.2 per cent., but is still 31 per cent. higher than a year ago. Tea was again dearer, and the number for sugar, coffee, and tea increased 2 per cent., while since June of last year it has risen 41.7 per cent. Lead during the month rose from £21 to £26 15s., and with tin, copper, and iron also higher the index number for minerals rose from 119.6 to 126.6, or 5.9 per cent., making a total advance of 31 per cent. for the twelve months. Textiles, after falling slightly in May, have again risen, more especially wool and jute. Raw silk declined slightly in consequence of a great supply, imports last month having been double the quantity received in June of last year. On balance textiles rose from 86.5 to 90.6. In June of last year it was 80.6, the advance having resulted from the great rise in flax and hemp. Among sundry materials, palm oil, indigo, linseed oil, tallow, and hides are all lower, but leather and timber are higher, and the decline in the number has been 1.2 per cent. Since the War began the index-number for sundry materials has risen from 82.5 to 106.2.

Comparison of the prices of the various classes last month with previous periods is made below:—

	Veg. Food (Corn, &c.)	Animal Food (Meat & Butter)	Sugar, Coffee & Tea	Minerals	Textiles	Sundries
Year 1873 ...	106	109	106	141	103	106
Aver. 1878-87 ...	79	95	76	73	71	81
" 1890-99 ...	61	80	63	71	56	66
" 1905-14 ...	70	92	53	97	75	78
June 1914 ...	66.5	97.5	51.8	96.7	80.6	82.5
May 1915 ...	110.1	134.5	72.0	119.6	86.5	107.5*
June " ...	103.0	127.5	73.4	126.6	90.6	106.2
+ or - % June'15	-6.5	- 5.2	+2.0	+5.9	+4.7	-1.2
Do, % since June'14	+54.9	+30.8	+41.7	+30.9	+12.4	+28.7

\* Revised figures.

**SILVER.**—For the month the price of silver was  $\frac{1}{2}$ d. lower at 22 $\frac{1}{2}$ d. per oz., the demand both from India and China having been very small. Stocks in London are accumulating, and during the month rose from £1,500,000 to £1,800,000. Imports for the month were £930,000, and exports £583,000.

The price and index-number of silver for last month compare as follows (60.84d. per oz. being the parity of 1 gold to 15 $\frac{1}{2}$  silver=100):—

	Price d.	Index- No.		Price d.	Index- No.
Average 1890-99	34	= 55.8	Dec. 1906	32 $\frac{1}{2}$	= 53.1
Average 1905-14	26 $\frac{1}{2}$	= 43.9	June 1914	26	= 42.7
Average 1893 ...	35 $\frac{1}{2}$	= 58.6	Oct. 1914	22 $\frac{3}{4}$	= 36.5
Average 1909 ...	23 $\frac{1}{2}$	= 38.9	Dec. 1914	22 $\frac{1}{2}$	= 37.3
Average 1914 ...	25 $\frac{1}{2}$	= 41.6	May 1915	23 $\frac{1}{2}$	= 38.3
Lowest, Nov. 1902	21 $\frac{1}{2}$	= 35.6	June 1915	22 $\frac{1}{2}$	= 37.6

**GOLD.**—Large amounts of gold were withdrawn from the Bank of England, and during the month its stock was reduced from £61,738,000 to £52,092,000. The demand was mainly from New York, where the sovereign is quoted at a discount of about 2 per cent. Argentina took over £1,000,000.

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## Financial Notes.

IN the current number of the *Fortnightly Review* Sir C. Kinloch-Cooke makes an excellent suggestion, which, we hope, will be acted upon by those in authority. It is that no time should be lost in instituting inquiries as to the proper measures to be taken, firstly, in regard to all persons rendered by the War less capable than previously of providing for themselves, and generally for considering what measures ought to be taken when peace returns to remedy a state of things which, in all reasonable probability, will be very grave. Every reader who has paid attention to history is aware that the great war which came to an end a century ago this year was followed by over a quarter of a century of suffering, danger, and distress. Here at home, it is hardly too much to say, the condition of things was more dangerous than in any previous known period. Discontent was universal. Revolutionary feeling was very prevalent. Crimes of all kinds were perpetrated, not so much for the benefit they would bring immediately to the criminals as either to wreak vengeance on those who were supposed to be oppressors or to convince the Government that something must be done to alleviate the sufferings of the poor. In Scotland matters were worse still. But it was in Ireland that the greatest suffering and the greatest danger was experienced. Relief was not found until the great outburst of railway building in 1842 began. That ultimately changed the whole face of the world. But it wanted a great invention and its beneficent influence to make up for all the waste of a war of nearly a quarter of a century's duration.

Nobody can seriously doubt that this present War will be followed by a very trying time. It is to be recollected that in the current financial year it is estimated that the war expenditure will not fall very much short of 100 millions per month. Men who have reached middle age remember times when people spoke with apprehension of a total national expenditure of 100 millions per annum. But when the expenditure in a single year is eleven or twelve times what used to frighten people a short time ago, it is easy to foresee what the consequences must be. When

the War is over the loss of life and productive energy, the weight of debt, the burden of taxation, the disarrangement of trade, the competition of countries which are only now coming into the competition, and the general poverty, both at home and abroad, will make it inevitable that we shall have to pass through a very serious period.

It is well that the public should bear in mind how large a part of the world is engaged in this great struggle. The British Empire occupies a considerable portion of every continent upon the globe. And in addition to the British Empire there are engaged in the conflict in Europe, France, Russia, Italy, Belgium, Serbia, Germany, Austria-Hungary, and Turkey; while in Asia the island empire of Japan has to be added. Every one of these has to strain its resources more or less; and it is easy to imagine what the consequences must be if the War lasts at all long. There is, then, no time to be lost. We are feeling at the present moment all the inconveniences of the neglect by our Government to study carefully what war under present circumstances must imply. It is only now that we are making a desperate attempt to supply our gallant sailors and soldiers with the necessary munitions of war. Let us take the lesson to heart, and not put off till the danger is really upon us the grave inquiry which is recommended.

A century ago the Government of this country that brought the struggle to an end was perhaps the most incapable ever known. It consisted of men whom even their followers did not greatly respect, and who were hopelessly behind the times. Nothing, therefore, was foreseen. And as regards the majority of Ministers, probably they would have thought that nothing needed either to be foreseen or to be done—that the mere multitude must obey orders and take whatever came in their way. In these times, however, no Government would take up an attitude of that kind; and certainly no Government would last a day that would attempt to take it up. We ought, therefore, carefully to make inquiries, persuaded that a struggle of the magnitude of the present must leave after it great suffering and much misery; that, therefore, it is our bounden duty in the interests of the United Kingdom and the Empire to take the most careful thought of what ought to be done. The mere extent of the conflict, its enormous cost, and the numbers who are implicated, of themselves alone make this essential. But it is to be recollected that we ourselves, through Parliament, are taking measures which inevitably must raise the gravest questions when peace returns.

For example, we are adopting revolutionary measures which it may well be doubted whether any Socialist would have ventured seriously to propose even in a book for adoption twelve months ago. We are limiting the profits which capitalists may make during the War. We are suspending all the rights and privileges acquired by the trade unions during the past century. And, in addition we are taking into the hands of the Government the greater part of the whole trade of the country. We have given protection to the banks, the insurance companies, the Stock Exchange, the acceptors of bills, and so on. We have taken the wheat trade of India into our hands. We have taken the buying of food from Argentina also into our hands. In fact, we have adopted State Socialism to so large an extent that it is hardly an exaggeration to say that England at the present moment is practising Socialism. Does anybody seriously believe that this great experiment will not arouse ardent hopes and poignant fears, and that when the time comes for determining what is to be our future policy we shall have before us a period of serious disagreement?



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## American Topics.

### AMERICA'S SHARE IN THE WAR FINANCING.

FROM AN AMERICAN CORRESPONDENT.

In a very definite and real sense the sinews of war under modern conditions have become golden. To-day the fortunes of a belligerent nation, *mutatis mutandis*, depend upon its ability to negotiate its loans upon a favourable basis. America has done much to aid the Allies by means of its facilities for supplying enormous stores of munitions of war, but this has been made possible only by its willingness and ability to open to them extensive lines of credit. Since the war began this country has taken four loans from the Allied Powers, aggregating \$170,500,000, but this does not begin to measure the amount of financial assistance rendered. British credits have been established here in a private way which run to very large figures, and these, of course, are not included in the total given above. Even the estimate of \$50,000,000 of such credits which is current in financial circles here is highly conjectural and probably is much below the actual amount.

Canada served notice some time ago that within a year she would require \$100,000,000; already she has borrowed from us \$85,500,000. France has been the next largest borrower, floating two loans aggregat-

ing \$60,000,000. A tabulation of the loans made to the Allied Nations to date follows:—

Russian Government acceptances ... ..	\$ 25,000,000
French Government One-year Notes ... ..	10,000,000
French One-Year 5% Loan ... ..	50,000,000
Canadian provincial and municipal loans ... ..	85,500,000
Total ... ..	170,500,000

Great Britain's action in closing her money markets to loans other than those floated by her Allies has been justified by current events, but it has had the effect of turning other needy nations to the United States for financial aid. To such countries America has advanced \$67,000,000, most of which probably would have come from London but for the unusual conditions arising out of the war. These loans are as follows:—

Swedish Government Two-year Notes ... ..	\$ 5,000,000
Argentine National One-three-year Loan ... ..	15,000,000
Argentine Five-year 6% Bonds ... ..	25,000,000
Norway Short Term Loan ... ..	3,000,000
Bolivian Loan ... ..	1,000,000
Republic of Panama 39-Year 5% Bonds ... ..	3,000,000
Swiss Government One-five-year Notes ... ..	15,000,000
Total ... ..	67,000,000

The significant fact which these figures reveal, is that almost two-thirds of this type of financing has been consummated by Latin-American countries. The \$25,000,000 of Argentine 6% bonds floated here was only one-half of the total issue.

It is almost impossible to obtain any accurate details regarding German borrowing here, which in itself is good evidence that such financing is not popular in the United States. In this connection it is significant that of the 13,345,545 foreign born population of this country, 2,501,181 are Germans. Recently Germany offered \$10,000,000 of nine-months 5 per cent. Notes on a 5½ per cent. basis, but even this yield failed to stimulate anything like an eager response. From the tardiness attending the distribution of these Notes it is evident that German-Americans are not over-anxious to replenish the Treasury of the Fatherland. It may be that their access to information relative to the merits of both sides of the questions at issue has made them less sanguine as to the ultimate outcome.

## NEW YORK CENTRAL RAILROAD.

THE belief that the New York Central Railroad had touched low-water mark in 1914, and that this year its earnings and profits would show substantial improvement, has proved to be well founded. Whereas for last year the net profits were insufficient to meet 5 per cent. dividend requirements, for this year there is every indication that a substantial margin in excess of the 5 per cent. dividend will be earned, while as time goes on the sum available for distribution should still further expand. During 1914 a severe set-back occurred in the gross earnings of the combined New York Central and Lake Shore Railroads. By instituting economies of all kinds and by reducing maintenance outlays, the profit available for dividend amounted to \$9,813,000, equal to 4.35 per cent. upon the stock. Apart from the more active business conditions now prevailing in the territory served, the system is deriving benefit from the moderate advance in freight rates conceded six months ago by the Interstate Commerce Commission, and expected to bring in at least \$3,000,000 of additional revenue this year. For the five months to May gross earnings have expanded \$1,730,000. On the other hand, expenses have been reduced, and after providing for additional taxes there is improvement of \$5,449,000 in net receipts.

Throughout the remaining months of 1915 comparison will be made with a period when large shrinkages in gross earnings were reported, and therefore substantial gains in gross revenue may be looked for. So far as net earnings are concerned, not much further improvement may occur in the last seven

months of the year as comparison will be made with a period last year when expenditure was greatly reduced.

The course of earnings since the beginning of 1914 will be evident from the subjoined statement:—

### *Course of Gross and Net Earnings of New York Central Railroad since January 1914.*

	1915 on 1914—			1914 on 1913—		
	Gross Receipts.	Oper. Exp. and Taxes.	Net Receipts.	Gross Receipts.	Oper. Exp. and Taxes.	Net Receipts.
5 mos. to May	\$1,730,000	\$3,719,000	\$5,449,000	\$8,213,000	\$2,586,000	\$5,627,000
7 mos. to Dec.	—	—	—	\$9,559,000	\$12,741,000	\$3,182,000
Year	—	—	—	\$17,772,000	\$15,327,000	\$2,445,000

In order to ascertain the estimated profits for 1915 it would be wise to ignore the possibility of any further improvement in net earnings in the seven months from June to December, and to assume that the gain in net earnings for the five months to May will represent the gain for the year. On this basis the system is earning a profit of over \$15,000,000, which is equal to a dividend of 6 per cent. on the stock.

This will be apparent from the appended calculation.

	\$
Net profit of combined New York Central and Lake Shore Companies, year 1914 ... ..	9,813,000
Improvement in net receipts, 5 months to May 1915 ... ..	5,449,000
Estimated profit, 1915, apart from change in net, 7 months to December ... ..	15,262,000
Dividend of 5 per cent. on Common ... ..	12,500,000
Surplus = 1.1 per cent. on Common ... ..	2,762,000

As time goes on further considerable benefit must be derived from economies resulting from the consolidation of the New York Central with the Lake Shore, and from the smaller burden of interest charges as the immense amount of capital expended in recent years becomes productive. Hence doubts that existed a few months ago as to ability to maintain the 5 per cent. dividend are not likely again to arise. The price of the Common stock is 89½, at which the 5 per cent. dividend gives a return of £5 17s. 4d. per cent. The 6% Convertible Bonds are quoted in New York at 103¼ and the yield afforded is £5 16s. 3d. per cent.

## ERIE RAILROAD.

THE revenue statements of the Erie Railroad for April and May must not be taken too literally. Gross earnings for the two months expanded \$468,000, while net earnings showed a shrinkage of \$630,000. That operating expenses increased in much greater proportion than gross revenue may be attributed entirely to a change in the policy of the management, and not to any lessening of efforts on the part of the officers to work the traffic economically. Until 1914 the Company's fiscal year ended with June 30, but in future the annual reports will be made up to December 31. One of the chief reasons put forward for this change in the date of making up the accounts is that as regards maintenance work charges can be allocated better under the new arrangement than was possible formerly. In the past the year's maintenance programme has not come into operation until July, but with the change in the fiscal year this work has already been started, and whereas in previous years heavy work upon maintenance has been performed after the commencement of July, it will in future be spread more evenly over the spring and summer months. Further, the more favourable weather conditions in the spring of this year afforded a better opportunity to proceed with maintenance work. This change of policy will likewise have a material effect upon net earnings for June, but compensatory benefit should be derived in the latter half of the year. Through the adoption of this new method the road can be kept up to its existing high standard, although at the same time, it is believed, the total cost of maintenance of way can be reduced by about 10 per cent. By means of a

better distribution of section forces it is estimated a saving of 20 per cent. can be effected in labour alone.

The outlook for the Erie Railroad is better than for many years past. During the last 14 years an immense amount of money, both on capital account and out of income, has been expended upon improving the property and raising it to a high standard, until now it compares favourably with that of the more prosperous railroads of the country. By means of the improvement work that has been effected facilities have been provided which will enable a traffic to be handled vastly greater than any hitherto enjoyed. Indeed, when the work of improvement is completed—and it is practically finished—the road will be capable of handling a traffic yielding a gross revenue of \$100,000,000 a year. Inasmuch as gross earnings for the twelve months to the end of May were about \$60,000,000, the Erie will have ability to earn 66 per cent. more revenue without being under the necessity of issuing any large amount of new capital for additions and extensions, and with only a slight addition to the cost of operating. A further factor expected to contribute to more favourable results in the future is the considerable benefit the Company will derive from the rise in freight rates granted at the end of last year by the Interstate Commerce Commission. It is true the Erie is a large carrier of those articles which were excluded from the rise in rates, but nevertheless a material addition to revenue will be derived from this source. The improvement in the iron, steel, and other manufacturing industries of the United States, and the greater demand for coal, should also tend to cause gross receipts to expand.

After paying all interest and other charges the Company earned a net profit of just over \$1,000,000 for the calendar year 1914. For the five months to May gross earnings have improved \$1,046,000, while net earnings at the same time have gained \$530,000. In this period considerable savings in the cost of conducting transportation have been effected, chiefly by reducing freight-train mileage and adding to the average weight of the freight trains. That total expenses have shown little change notwithstanding this reduced cost is due to much larger outlays upon maintenance both of the road and of the equipment. Interest charges in the current year are likely to show addition by reason of the issue of 6% bonds in place of notes bearing a somewhat lower rate of interest. However, they may not be appreciably higher on balance, so that the greater part of the gain in net earnings is likely to be added to the net profit. Thus at the present time—that is, apart from any further improvement in net earnings that may be secured in the seven months to December next—the net profit is about \$1,534,000, a sum equal to about 3½ per cent. on the First Preferred stock, but when the accounts for the full year are made up there is every likelihood that a much better showing than this will be made. In view of the complete metamorphosis of the undertaking in recent years few American railways have a brighter future than the Erie, and now that the closing chapter of the long period of betterment has been reached, improved business conditions and additions to revenue and profits should enable the stockholders shortly to reap the reward for which they have waited so patiently. The 4% First Preferred Stock is quoted at 40½, the 4% Second Preferred at 34, and the Common at 26½. We dealt at considerable length in our issue of November 21 last with the factors which have contributed to bring about the altered conditions of the Company.

It is understood the directors propose the issue to stockholders at an early date of a brochure describing the development of the property during the past 10 years. Further, it is contemplated to furnish the proprietors of the undertaking with full information, not readily available in the past, concerning the various coal properties in which the Erie is interested, and for this purpose an inventory of the bituminous and

anthracite coal properties will be made shortly. Hitherto the annual reports have contained little or no information regarding the coal lands, which we believe cover an area of not far short of 100,000 acres.

## FOREIGN RAILWAY RESULTS.

### NEW CAPE CENTRAL RAILWAY.

AFTER several years of steady progress the prosperity of the New Cape Central Railway has received a check. In 1913, it will be recollected, the Company earned a profit of £35,449, and after paying the full 4 per cent. on the Income Debenture stock there was a surplus of £18,449, or sufficient to have paid a dividend of 3½ per cent. on the Ordinary capital. No distribution was made owing to there being a debit on profit and loss account of £22,104, which had stood in the balance sheet since 1908. All but £609 of this debit was written off out of undivided profits at the end of 1913, after £2,000 had been placed to reserve, so that the year 1914 was started with practically a clean sheet, and everything promised well for the Ordinary shareholder. Unfortunately, the conditions prevailing throughout the year, and especially during the period following the outbreak of war, have entirely upset these hopeful anticipations, and the results of working, although not unsatisfactory, preclude the possibility of a dividend being paid upon the Ordinary capital. The sum at the disposal of the board, after meeting fixed charges, was £21,243, and whilst considerably smaller than in 1913 is, nevertheless, sufficient to pay the 4 per cent. dividend on the Income Debenture stock with a surplus of £4,243. This is equal to less than 1 per cent. on the Ordinary. Consequently the sum of £2,000 has been transferred to reserve, raising the fund to £31,500, and after writing off the remainder of the old debit balance on profit and loss account the sum carried forward is £1,633.

Up to the beginning of August the Company continued to do fairly well, having regard to the excellent results of the previous year; but since that date the falling off in earnings was considerable, and for the year the decline was as much as £15,865, or 14.2 per cent. This, unfortunately, was accompanied by only a small saving (£1,659) in working expenses, and the net earnings at £41,243 show a diminution of £14,206, or 25.6 per cent. The relatively small reduction in working costs is attributable to the large increase in train mileage, owing to the fact that the new through train service instituted on the opening of the George-Oudtshoorn line in August 1913 was in operation during the whole of the year 1914, but for only about four months in the previous year.

The progress made by the Company since 1909, and the set-back which occurred last year, will be seen from the following statement of the main results of working for the last six years:—

#### New Cape Central Railway.

	Year—1914	1913	1912	1911	1910	1909
	£	£	£	£	£	£
Gross earnings ...	95,204	111,069	96,635	93,168	88,993	78,268
Expenses ...	53,961	55,620	50,995	50,115	48,225	46,475
Ratio ...	(56.68)	(50.06)	(52.79)	(53.83)	(54.18)	(59.35)
Net earnings ...	11,243	55,449	45,640	43,053	40,768	31,793
1st Mort. Deb. stock ...	20,000	20,000	19,237	18,982	18,982	18,969
Miscellaneous charges ...	—	—	345	1,500	1,500	1,500
Total charges ...	20,000	20,000	19,582	20,482	20,482	20,469
Net profit ...	21,243	35,449	26,058	22,571	20,286	11,324
4% Cum. Inc. Deb. stock ...	17,000	17,000	19,125*	21,049*	18,944*	8,420
Rate per cent. ...	(4%)	(4%)	(4½%)	(5%)	(4½%)	(2%)
Balance ...	4,243	18,449	6,933	1,522	1,342	2,904
To reserve ...	2,000	2,000	2,000	1,500	2,000	2,155
	2,243	16,449	Cr. 4,933	Cr. 22	Dr. 658	Cr. 749
Brought forward ...	—	5,046	113	91	79	—
Carried forward ...	2,243†	21,495†	5,046	113	91	749

\* Including arrears.

† Applied in reduction of debit balance on profit and loss account at December 31, 1908, amounting to £22,104, leaving a debit of £609 only.

‡ Of this sum £609 was applied in writing off balance at debit on profit and loss account and £1,633 was carried forward.

There has been a further slight falling off in traffic receipts so far in the current year; but recent returns have shown improvement, and it may be hoped that they are the forerunner of better things and that a turn in the tide of traffic decreases has already set in. With a probable recovery in gross earnings this year, and a possible saving in working expenses, compared with 1914, the position of the Company twelve months hence may again be quite satisfactory. It may be pointed out that the Colonial Government has the right at any time to purchase the undertaking, the price to be fixed by agreement, or, failing this, by arbitration. Such price is not to be less than the capital expended by the Company, and is not to exceed the amount of the estimated cost as stated in the Government report presented to Parliament, and from the price so agreed upon or settled by arbitration is to be deducted the amount paid by the Government as a subsidy. The price of the 4% Income Debenture stock is 68, and the yield is about £5 18s. 6d. per cent. The 4% First Mortgage Debenture stock is 84, and the return to the investor is £4 16s. 5d. per cent. The sum needed to pay the interest is only £22,000, whereas the income available last year was over £41,000. The stock is repayable at par on January 1, 1943, or at any time earlier on six months' notice from the Company. The Ordinary shares are not officially quoted. The capital of the undertaking is as follows:—

*New Cape Central Railway.*

Security	Amount £	Interest %	Price	Yield £ s. d.
4% Cons. 1st Mort. Deb. stock	500,000	4	84	4 16 5
4% Cum. Income Deb. stock	425,000	4	68	5 18 6
Ordinary stock	521,680	—	—	—
Total capital	1,446,680			

### BRAZIL NORTH-EASTERN RAILWAYS.

The past year has been a calamitous one for the Brazil North-Eastern Railways. The revolution which broke out in the interior of the State of Ceará in December 1913 continued well into March 1914, when peace was restored only by the intervention of the Federal Government. This naturally caused a heavy falling off in the Company's receipts in the early months of the year, and also greatly helped to swell expenditure. The general breakdown of the finances of Brazil, the European War, the partial failure of the cotton crop, and the fall in exchange all contributed to the Company's misfortunes, with the result that it has been unable to fulfil its obligations under the trust deeds securing its First Debenture stock, and a postponement of these obligations for a period has had to be resorted to. A measure of the trade depression in North Brazil is obtained from the figures quoted in the General Manager's report, which show that the Custom House receipts in Ceará dropped more than 50 per cent. in 1914, as compared with the previous year. With this combination of unfavourable factors it is not surprising that the traffic earnings of the Company last year declined as much as £69,829, or 35.1 per cent., and that the actual gross takings for the period at £128,899 are the smallest since the railways were taken over from the Brazilian Government in 1910. Every effort has been made to cut down expenditure, with the result that a saving of £45,135 has been effected. Nevertheless the net earnings at £15,095 are £24,694, or 61.9 per cent. smaller than in 1913, and are considerably short of the sum needed to meet interest and other obligations. A transfer has been made of £11,000 from the special reserve created to meet such exceptional circumstances as arose last year, but this was insufficient to cover the whole of the loss, and a debit balance of £7,383 has been carried forward to be subsequently dealt with. The heavy loss sustained by the Company in 1914 will be apparent from the following comparison of the main result of working for the last five years:—

*Brazil North-Eastern Railways.*

	1911	1913	1912	1911	1910*
Miles open	172	172	172	156	436
Gross earnings	128,899	198,728	179,091	157,038	139,634
Expenses	113,805	168,939	128,205	113,538	95,794
Ratio	(88.29)	(79.97)	(71.59)	(72.30)	(68.61)
Net earnings	15,094	29,789	50,886	43,500	43,840
Miscellaneous income	735	10,670	3,114	404	852
Total net income	15,829	40,459	54,000	43,904	44,692
Fiscalisation charges	8,406	15,372	17,425	13,586	10,648
6% First Deb. stock	20,517	20,751	21,000	21,000	19,250
5% Prior Lien Debs.	212	—	—	—	—
Other charges	7,899	6,022	5,793	5,108	4,000
Total charges	37,034	42,145	44,219	39,694	33,898
Net profit	Loss 21,205	8,314	9,782	4,210	10,794
To reserves	2,638	8,264	9,576	4,000	6,000
From reserves	11,000	—	—	—	—
Balance	Dr. 12,843	Cr. 50	Cr. 406	Cr. 210	Cr. 4,794
Brought forward	5,160	5,110	5,904	4,794	—
Carried forward	Dr. 7,383	5,160	5,110	5,004	4,794

\* Results for 330 days from February 5 to December 31, 1910.

It may be recalled that the Company was incorporated in January 1910 to take over from the Brazilian Government and work two railways in the State of Ceará, North Brazil, known as the Baturite Railway and the Sobral Railway. The length of line in operation in 1910 was 436 miles, and a further 36 miles have since been handed over to the Company. The two railways are at present disconnected, but they are to be linked together into one system, and, with the other extensions in construction and to be constructed, a network of something like 1,000 miles of railway will subsequently be under the Company's control. The cost of building these new lines has been undertaken by the Government. As the Chairman pointed out at the last annual meeting, the line undoubtedly presents great features of promise. The set-back which has occurred is, of course, very unfortunate. All construction work has been temporarily postponed, and in the present financial circumstances of the Brazilian Government it is impossible to foresee when this work is likely to be recommenced. The directors particularly regret being unable, after the adverse results of the past year, to foreshadow any great improvement in the immediate future. Most of the adverse circumstances affecting last year's working are still present in a large degree, and, in addition, the State of Ceará is experiencing this year a lack of rain, amounting almost to a serious drought. Many of the crops have already been destroyed, and while it is hoped the old cotton will survive and produce a crop, no new planting has been possible. Stringent measures of economy are being continued, and the directors anticipate that by this means it will be possible to pass through the present critical period without actual loss in working.

It has not been found possible to materially advance the negotiations which the directors have pursued, with the object of obtaining a more secure position in Brazil for the Company in relation to the lease of the working railways. Important steps are, however, in contemplation which, it is hoped, will benefit the Company's interests in this connection. Last year the Company took power to issue Prior Lien bonds amounting to £70,000. In addition there is an issue of £350,000 6% First Debenture stock, as well as 350,000 shares of £1 each. The only security officially quoted is the First Debenture stock, in which dealings have recently taken place at the low price of 35.

### BENGAL DOOARS RAILWAY.

An interim dividend at the rate of 6 per cent. per annum is announced by the Bengal Dooars Railway Company in respect of the half-year to March 31 last. This is a similar rate of distribution to that made a year ago, and indicates that the Company continues to enjoy a high degree of prosperity. The traffic receipts for the six months showed a falling-off of Rs. 53,000, or about 6 per cent., and since the close of March there has been a further decline of about Rs. 30,000. This loss in earnings may have been accompanied by a saving in expenditure, and

the diminution in profit has probably been small. In the twelve months to September 1914 the profit of the undertaking amounted to £52,000, a sum equal to nearly 13 per cent. on the Ordinary stock. The dividend and bonus for the year was 7 per cent., requiring £28,000, and there was thus a surplus of as much as £24,000 in excess of this satisfactory dividend. Even assuming, therefore, that traffics continue to decline, the profit for the Ordinary in the current year should largely exceed the sum needed to maintain last year's dividend and bonus of 7 per cent. The excellent dividend record of the Company in recent years will be seen from the statement appended:—

#### Bengal Doonars Railway.

	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904
1st half ...	6	6	6	4	4	4	4	3	3	3	3	3
2nd half ...	8*	8	6	8	6	6	5	5	5	5	4	5
Year ...	7	7	6†	6	5	5	4½	4	4	4	3½	4

\* Possible distribution.

† At the rate of 6 per cent. per annum for the nine months to September 30.

The price of the Ordinary stock is about 102½, and, allowing for accrued dividend, the yield from the current rate of dividend is almost exactly 7 per cent. The 4% Cumulative Preference stock, the dividend upon which is very safe, can be bought at about 86, and a yield of £4 13s. is forthcoming.

#### COSTA RICA RAILWAY.

The announcement by the Costa Rica Railway Company of a dividend of 2 per cent. on the Ordinary capital in respect of the past twelve months makes the fourth consecutive payment at this rate. The profit earned, however, exceeds the sum distributed by £16,262, the whole of which is transferred to reserve, raising that fund to £182,263.

The railway is worked under an agreement with the Northern Railway of Costa Rica, which, in turn, is controlled by the United Fruit Company of America. The line is 209 miles in length, and the agreement is to continue until the termination of the concession about the year 1985. The rental has steadily increased from £135,600 in the first two years to £149,100, the present rent and the maximum. In addition to the sum received from the Northern Railway Company, interest on investments in the past year produced £9,084, raising the total revenue for the twelve months to £158,184. On the other hand, the Debenture and other charges called for a sum of £105,922, which includes a contribution of £1,300 to war funds, leaving a profit of £52,262, a sum equal to a dividend of 2¾ per cent. on the share capital. The object of building up a reserve fund is to redeem the Ordinary stock—£1,800,000—at the end of the concession.

The income statement of the Company for the past six years is appended:—

#### Costa Rica Railway.

	Year—1914-15	1913-14	1912-13	1911-12	1910-11	1909-10
Revenue under agreement	£149,100	£149,100	£149,100	£149,100	£149,000	£149,100
Miscellaneous receipts ...	8,884	9,511	8,133	6,745	5,303	4,583
Total income	158,184	158,411	157,233	155,845	149,903	144,683
Charges—						
Prior Mort. Debs.	22,627	22,702	22,762	22,600	22,723	22,630
First Mort. Debs.	39,300	39,300	39,300	39,300	39,300	39,300
Second Mort. Debs.	36,000	36,000	36,000	36,000	36,000	36,000
Miscellaneous ...	7,995	5,709	6,031	7,638	4,624	5,654
Total charges	105,922	103,711	104,093	105,538	102,647	103,584
Profit for ordinary	52,262	54,700	53,140	50,307	47,256	41,099
Ordinary dividend	36,000	36,000	36,000	36,000	31,500	27,000
Do. per cent.	(2%)	(2%)	(2%)	(2%)	(1½%)	(1½%)
Balance to reserve	16,262	18,700	17,140	14,307	15,756	14,099

The agent at Costa Rica reports that the wet season of 1914 was one of the severest on record on the Atlantic Slope, and constant trouble from slides and washouts occurred from May until the end of the year, but the damage sustained was repaired as promptly as possible. It is also reported that owing to the war, as well as to short coffee and banana crops, the traffic of the railway for the past year show a large decrease. Notwithstanding these serious

adverse circumstances, the Northern Company has paid the rental with its customary punctuality. It has also continued to maintain the property in good order and to further improve it.

The Company's Debentures are being gradually redeemed, and out of a total of £400,000 Prior Mortgage Debentures authorised there are outstanding at the present time only £293,400. In the year 1916, when two of the Debenture issues are repayable, the loan capital of the Company will probably be reorganised, and a larger revenue will then be available for the Ordinary. Meanwhile, the continuance of at least 2 per cent. dividends is assured. The price of the Ordinary stock is now 33½, and a yield of £6½ per cent. is forthcoming. The 5% Prior Mortgage Debentures can be obtained at 96, and the yield is thus about £5½ per cent. The first series are redeemable at par by March 1, 1933, by means of a cumulative sinking fund of 1 per cent. per annum, or earlier on six months' notice from the Company given on or after January 1, 1916. The second series are redeemable on March 1, 1941, in the same manner as the First Series. The 6% First Mortgage Debentures, which are redeemable at par on July 1, 1916, are quoted at 96½xd, and the 6% Second Debentures, redeemable at par on September 30, 1916, can be obtained at 90. The capital of the Company is as follows:—

	Amount outstanding	Int. %	Price	Yield
5% Prior Mort. Debs.	143,800	5	96	5 5 10
Do. Second Series	157,300	5	97½	5 4 5
6% First Mort. Debs.	655,000	6	96½xd]	6 4 4
6% Second Debs.	600,000	6	90	6 10 4
Ordinary Stock	1,800,000	2	33½	6 8 0
Total	3,356,100			

#### DOMINION STEEL CORPORATION.

IN the autumn of 1913 a severe depression occurred in the iron and steel industry both in Canada and the United States. At the beginning of 1914 a temporary improvement occurred, and for some time business became fairly active, but with the outbreak of the War it came to an almost complete standstill; for a time, indeed, it was completely suspended. Mr. J. H. Plummer, the President of the Dominion Steel Corporation, Limited, in a special report appended to the annual statement, more especially for the benefit of shareholders outside Canada, points out that while for the first two or three months of the fiscal year ended March 31, 1915, the operations on the steel plant were fairly active, especially in the rail mill, all orders were suspended immediately after the outbreak of war, and material already made was left in the hands of the Corporation, to be taken when conditions improved. From August to November the business was at a standstill, but orders from Great Britain from that time enabled the plant to be kept in partial operation, though the prices obtainable, coupled with the high cost of transportation, left little margin of profit. The difficulties of transportation have formed the chief obstacle to the building up of the export trade. The cost was greatly increased, and at the same time the quantity that could be moved was greatly diminished by the abnormal delays and wasted time; and, indeed, the congestion of traffic at British and French ports has, in effect, cut in two the amount of steel which the Corporation's vessels were able to deliver on this side.

As far as the home trade is concerned, the demand for iron and steel in Canada has fallen to a very low point, the depression beginning in the autumn of 1913 and becoming acute with the outbreak of war. In many departments there is no demand whatever. The Corporation, however, has made large contracts for the supply of steel for high explosive shells, on which it is now working.

The output of the iron and steel business consequently shows a considerable set-back, as may be seen

from the following comparison of the output of the last two years:—

	Year ending March 31, 1915	Year ending March 31, 1914
	Tons	Tons
Pig iron ... ..	187,262	333,919
Steel ingots ... ..	243,313	331,256
Blooms and billets for sale ... ..	38,231	35,299
Rails ... ..	99,929	176,027
Wire rods ... ..	39,762	30,764
Bars ... ..	14,319	16,738
Wire ... ..	27,175	24,788
Nails ... ..	10,312	14,089

The exports of iron and steel during the year amounted altogether to 109,151 tons, in addition to which there were over 20,000 tons on hand at March 31 made on export orders. Notwithstanding the tonnage of materials on hand awaiting shipment under contracts already made, the inventories of the Steel Company were reduced to the extent of \$719,435, as compared with March 31, 1914, and it is hoped that this reduction will continue.

Similarly with the coal business the output of coal for the year to March 31, 1915, has been cut down by the closing of the blast-furnaces of the Steel Company, so that the figures show a shrinkage for almost the first time on record. The reduction in output in the Cape Breton collieries amounted to no less than 541,641 tons for the year, while the total production at all collieries for the year amounted to 4,550,512 tons, as compared with 5,047,683 tons for the previous year. Herewith we set out the total production for each of the past four years.

Year ended March 31,	Tons
1915 ... ..	4,550,512
" " " 1914 ... ..	5,047,683
" " " 1913 ... ..	5,051,603
" " " 1912 ... ..	4,406,263

The capacity of the collieries on a full summer working basis is just 500,000 per month, and it is hoped that the output in the current year will again exceed 5,000,000 tons.

The troubles of transportation were also felt in the coal business, inasmuch as the Admiralty requisitioned some of the Corporation's best colliers. In this way there were lost the services of a total carrying capacity of 48,050 tons, while the completion of a new collier has been indefinitely postponed by Admiralty requirements. These losses interfered seriously with the delivery of coal by water, and while it has been possible to secure a number of smaller steamers, the lost tonnage has not been fully replaced, and in any case the cost of transportation must be much increased over last year.

Altogether, therefore, during the past fiscal year events have proved distinctly unfavorable. First of all, there was the depression in the home trade, the relapse after a period of abnormal expenditure on new railways and railway equipment coming with a severity and suddenness altogether unexpected. Then followed the outbreak of war, with a partial suspension of both the iron and steel and coal businesses, coupled with increased cost of transportation. It is not surprising, therefore, that the profits made show a considerable falling off, and that the net profit after providing for bond interest is less than half the corresponding figure of twelve months ago, and is the smallest that has been secured since the formation of the Corporation in its present form. The net income for the year ended March 31, 1915, amounted to \$3,571,059, as compared with \$4,442,032 for the previous year. Provision for sinking fund, &c., called for \$920,093, and bond interest for \$1,795,709. Consequently the net profit for the year amounted to \$855,257, which compares with \$1,854,826 for the previous year and \$2,372,667 for the twelve months to March 1913. In consequence of the serious disturbance in the business of the Steel Company the directors were obliged to postpone payment of the dividend on its Preferred stock. The Preferred dividend of the Coal Company has been paid, and also the dividend on the Preference shares of the Dominion Steel Corporation. The Preferred dividends paid have called for \$630,000, and there is a balance of

\$225,257, which is added to the carry-forward, bringing it up to \$1,022,164. Naturally it has not been found possible to pay a dividend on the Common stock of the Corporation. Herewith we set out the profits and the manner of their distribution:—

	Year ended March 31—1915	1914	1913	1912	1911*
	\$	\$	\$	\$	\$
Net income ... ..	3,571,059	4,442,032	4,714,058	3,936,181	3,452,079
Provision for sinking funds, &c. ... ..	920,093	903,889	1,009,651	881,643	743,163
Interest on bonds, &c. ... ..	2,650,966	3,538,143	3,704,407	3,054,538	2,708,916
Net profit ... ..	855,257	1,854,826	2,372,667	1,835,169	1,855,180
Dividends on Preference ... ..	630,000	980,000	997,500	560,000	419,999
Common stock dividend ... ..	225,257	874,826	1,375,167	1,275,169	1,435,181
	—	960,931	1,277,101	1,225,204	918,903
Brought forward ... ..	225,257	—86,105	98,066	49,965	516,278
	796,907	883,012	784,946	734,981	218,703
Surplus ... ..	1,022,164	796,907	883,012	784,946	734,981

\* Nine months.

It may perhaps be recalled that the *Dominion Steel Corporation* is a holding Company controlling *inter alia* the *Dominion Coal Company, Limited*, and the *Dominion Iron and Steel Company, Limited*, each of which has outstanding bond issues. The reserves amount to \$695,643, and in addition to the \$1,022,164 surplus of the Corporation itself, as shown in the profit table above, there is also a surplus of the several constituent companies at the dates of requisition amounting to \$1,555,554. The total assets are valued at \$81,844,652, of which the properties stand in the books, less reserves for depreciation and exhaustion, at \$69,304,716. There is also included in the assets an item of discounts and premium on securities, &c., of \$3,528,108. The general position may be seen from the following consolidated balance sheet as at March 31 last:—

	LIABILITIES.	\$	\$
Capital stock:			
Preference shares of Corporation ... ..	7,000,000		
Preferred stocks			
Coal Company, Limited ... ..	3,000,000		
Iron and Steel Company, Limited ... ..	5,000,000		
Common stock of Corporation ... ..	32,097,700		
			47,097,700
Dominion Coal Bonds ... ..			6,809,000
Dominion I. and S. Bonds ... ..			14,510,173
Cumberland Railway Bonds ... ..			1,167,000
Dominion Steel Debentures ... ..			4,965,336
Current liabilities ... ..			4,222,082
Reserves ... ..			695,643
Surplus ... ..			2,577,718
			81,844,652
	ASSETS.	\$	\$
Cost of properties ... ..	79,390,823		
Less reserves for depreciation, &c. ... ..	10,086,107		
			69,304,716
Discounts and premiums on securities, &c. ... ..			3,528,108
Notes receivable ... ..			151,265
Inventories ... ..			5,574,723
Accounts receivable ... ..			2,125,476
Cash ... ..			795,165
Insurance and other expenses paid in advance ... ..			365,199
			81,844,652

The Corporation has had under consideration for some time past plans for the erection of a benzol plant, but before the War the prices for benzol, toluol, and similar products were low, but conditions have greatly changed since the outbreak of war, and the erection of a plant has been found desirable. In February last the Corporation entered into a contract with the War Office for the supply of toluol, which was subsequently extended to Trinitrotoluol, and at once began the erection of the plant at Sydney, a nitrating plant being simultaneously erected by the Canadian Explosives, Limited, to enable the contract to be carried out. Both plants were erected in record time, about two months for each, and are now in operation. The benzol plant still needs some additional equipment for its full completion, but it is already doing excellent work. A new rolling mill is also under construction in order to meet the demands for pit-rails, for rail fastenings in connection with export rail orders, and for railway sections somewhat larger than the bar mill will produce. The mill has been planned so that it can be readily extended as the market grows, and if the demand for shell steel

should continue this mill will enable the demand to be met.

On the whole there is no doubt that the outlook for the Corporation and its constituent companies is distinctly bright, a marked improvement having occurred mainly as the result of special demands from abroad. As already pointed out, it is hoped that the output of the collieries for the current year will once more exceed 5,000,000 tons, and though there has not yet been experienced any revival of the Canadian demand for iron and steel, there is a considerable tonnage required for war purposes, and the demands for the export trade are large, while prices have risen to a level more in keeping with the heavy cost of transportation. The large contracts made for the supply of steel for high explosive shells should prove distinctly profitable for the Corporation, and, as Mr. Plummer points out in his report, "so far as can be judged the demand for iron and steel for the British and foreign markets must be very large during the War and for a certain period after its close. We are not without hope that the business we are now building up will to a considerable extent be permanent, but a great deal depends on the conditions in Europe when the War is over." Beyond this the plant erected for the recovery of benzol and other hydrocarbons which are greatly in demand should prove a profitable asset, and it is expected that even under normal conditions the plant should yield a very good return on its cost. With this more favourable outlook the Company's profits should prove considerably better for the current year, and they may, indeed, reach a sufficiently large figure to permit of a resumption of dividends all round. The Preference shares of the Corporation are quoted at 69, and as they are entitled to a 6 per cent. dividend they give a yield of about 8½ per cent. The Common stock, on which dividends are temporarily passed, may be obtained at about 31. For a long shot it has speculative possibilities. Recent quotations are appended:—

Amount \$	Description	Par \$	Price \$	Div. %	Approx. Yield £ s. d.
1,500,000	5%, 5-year Debts.	100	—	—	—
3,400,000	1%, 5-year Notes	100	88	6	6 18 9
58,669	6% employees Debentures	100	—	6	—
7,000,000	6%, Cumul. 1st Mort.	100	69	6	8 17 3
32,907,700	Common	100	31	Nil	—

SPIERS AND POND.

It will be recalled that during 1913 and 1914 a re-organisation of the board and management of this Company was brought about. Various improvements were made, and not only were changes in organisation made, but alterations occurred in the methods and policy that had prevailed during the past. At the meeting in July last year the Chairman stated that it was not at all improbable that further considerable changes of policy with regard to the stores business would have to be made, and the shareholders were warned that some considerable time must elapse before any tangible results were to be expected. The working of the first quarter of the past financial year, namely, from April 1 to June 30, 1914, indicated that the changes in the management and in methods were likely to be productive of good results; but unfortunately the outbreak of war completely upset the calculations of the board, and, as the present report points out, "the effect of the War has been extremely prejudicial to practically all branches of the Company's business; the increase in cost of labour and materials of every description, concurrently with the diminishing purchasing power of the public, the curtailment of holiday-making, and the restriction of licensing hours having all contributed to the poor results disclosed by the accounts." The directors have effected economies and have closed down unprofitable undertakings wherever possible. The trading profits, however, have fallen from £555,528 to £492,580, and the net profit from £48,732 to £26,531. The result is that

after payment of the Debenture interest there is a debit balance of £19,809.

To indicate the manner in which the business has been falling off during recent years we set out below the results of the trading as a whole, the amount of capital in the business, the proportion of net profit to the capital, and the surplus after payment of Debenture interest for the past 13 years:—

Year to Mar. 31	Share and Loan Capital	Trading Profits	Depreciation	Working Expenses and Trading Profits	Proportion of Net Profit to Capital	Surplus after Payment of Debenture Interest	Dividend
1915	1,726,000	492,580	466,049	2,531	1 1/2	19,809	—
1914	1,726,000	555,528	506,796	4,732	2 1/2	2,592	—
1913	1,726,000	565,059	522,614	92.5	2 1/2	Def. 3,899	—
1912	1,726,000	571,963	524,349	47,614	1 1/2	9,079	—
1911	1,726,000	566,349	512,133	54,210	3 1/2	18,533	—
1910	1,726,000	568,481	510,491	57,990	3 1/2	14,488	—
1909	1,726,000	566,494	516,875	49,619	2 1/2	3,273	—
1908	1,726,000	582,877	525,230	57,647	3 1/2	11,418	—
1907	2,206,000	597,797	527,590	70,207	3 1/2	22,453	—
1906	2,206,000	596,516	551,253	45,263	2 1/2	Def. 3,487	—
1905	2,206,000	665,348	580,157	85,191	3 1/2	37,441	—
1904	2,206,000	673,782	581,115	92,667	4 1/2	44,917	2 1/2
1903	2,206,000	687,127	581,637	105,490	4 1/2	75,748	5

The debit balance of £19,809 has been taken from the general reserve, reducing this fund to £7,600 only. The necessary amount to make provision for amortisation of the Company's leasehold properties is £5,875. This also is to be taken from the reserve, which will thereby be reduced to £1,725. Herewith we summarise the liabilities and assets as at March 31 last:—

LIABILITIES.	£	ASSETS.	£
Share capital	720,000	Wines, spirits &c.	144,820
Debentures	1,006,000	Property plant, &c.	1,610,082
Mortgage	40,000	Sundry debtors, &c.	44,036
Sundry creditors, &c.	99,907	Investments	20,352
General reserve	7,600	Re-organisation of suspense account	24,375
		Cash	29,842
	1,873,607		1,873,507

Of the amount shown above for property, plant, &c., of £1,610,082, plant and furniture stands at £446,623. This has been valued, and the valuers are of opinion that the correct amount is £298,681 only. It is thus evident that another reconstruction scheme looms ahead. It is certainly very unfortunate for the Company that the outbreak of war should have occurred and upset the somewhat more hopeful outlook for the Company than had existed for some years past. It seems likely that the current year will prove a very severe testing time. Naturally the quotations for the various securities have dropped to a very low figure, as may be seen from the following:—

Amount	Description	Par	Price	Div.	Yield.
220,000	5% 1st Mort. Debts.	100	77 1/2	5	6 9 5
200,000	5% "A" Mort. Deb. stock	100	45 1/2	5	11 2 3
190,000	5% "B" Series 1st Mort. Deb. stock	100	43 1/2	5	11 10 0
96,000	4% "C" Freehold	100	—	4	—
300,000	4% "D" Mort. Deb. stock	100	—	4	—
360,000	6% Cum. Pref.	1	2/-	—	—
360,000	Ordinary	1	10 1/2	—	—

LONDON CITY AND MIDLAND BANK.—Interim dividend for the past half-year at the rate of 18 per cent. per annum, less tax.

BANK OF BENGAL.—Dividend for past half-year at the rate of 12 per cent. per annum, with a bonus at the rate of 4 per cent. per annum. Rs. 50,000 has been placed to Pension Fund and Rs. 86,318 carried forward.

CAPITAL AND COUNTIES BANK.—Dividend for past six months at the rate of 14 per cent. per annum. The sum of £20,000 has been applied in reduction of premises account and £100,000 in writing down the Bank's investments, leaving a balance to be carried forward of £74,906 6s. 1d., as against £103,450 14s. 5d. last year.

UNION BANK OF MANCHESTER.—Dividend of 12½ per cent., less income tax (being the same as last year), absorbing £30,794. £5,000 has been appropriated for income tax, £3,000 for premises reduction, £2,000 for Pension Fund, and £15,000 has been placed against depreciation of investments held by the Bank, writing them down to the actual market, or official, prices, as on June 30, and £10,572 carried forward. The directors have decided to pay the dividend rather earlier than usual, so that the warrants will reach the shareholders before the list of applications for the new War Loan is closed.

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## Insurance Notes.

### EAGLE INSURANCE COMPANY.

AN increased new business is reported by this Company in its directors' annual report for 1914. The Company's operations are restricted to life assurance, and, as most life offices show a diminution in the amount of new assurances effected with them last year, the enlargement referred to is creditable to the new Manager of the Eagle, to whose appointment reference was made in these columns on April 4, 1914. It may be taken that but for the War a still greater advance would have been shown. Apparently the new business has been economically obtained, for the expense ratio in 1914 varies little from that shown in the Company's accounts for 1913.

Under present circumstances the Eagle cannot be considered an attractive office for new participating policyholders, for the last quinquennial valuation on December 31, 1912, did not permit the declaration of a bonus, and the same thing had happened at the valuation 15 years previously, at the close of 1897. But for non-participating contracts it offers a specially strong security, for, apart from the life funds, there is a subscribed capital of £1,678,675, of which £167,867 10s. is paid up and £1,510,807 10s. is uncalled. The total capital is very large in comparison with the life fund, which at the valuation was found to be sufficient in itself to cover the assurance liabilities. The Company has an influential West End connection, and much of its business represents assurances entered into in connection with financial arrangements into which the question of participation in life profits need not largely enter. The Company has itself made large advances on approved personal security in combination with its own policies, and at the close of 1913 more than one-seventh of the total assets were invested in this way. During that year the proportion which these advances bore to total assets had been considerably increased, and in our review of that year's report it was pointed out that this amount was high, representing about twice the paid-up capital. One gratifying feature in the Company's report for 1914 is that the amount so invested is increased by less than £40, so that it is clear that the enlargement of the new business is not due to an extension in this class of transaction.

Three hundred and thirty-two life policies were issued by the Company in 1914 for £466,271, of which

£14,800 was reassured, the net retention at the Company's own risk thus being £421,471. The increase in new policies is 98 in number and £101,825 in amount as compared with the corresponding figures of 1913. The whole of the new business in both years was effected within the United Kingdom. The total net life premium income in 1914 amounted to £165,833, apart from the sum of £3,316 received as consideration for new annuities granted. After making a suitable adjustment for the cost of the annuity business, expenses of management, inclusive of commission, seem to have absorbed about 16.5 per cent. of the life premium income. Claims by death amounted to £185,041, and claims for £19,971 matured by survivorship during last year. After transfer of £24,480 to the investment reserve fund, the life assurance fund at December 31, 1914, amounted to £1,919,611, as compared with £2,011,610 at the close of the previous year.

In the capital redemption account the net premium income is shown as £4,582, and the relative fund at the close of 1914, after transfer of £520 to the investment reserve fund, as £36,999.

The dividend to shareholders was paid at the rate of 5 per cent., free of income tax, and this rate will be maintained in 1915. The amount required for its distribution was £8,393 in 1914, and of this £6,681 was obtained from net interest earnings in the proprietors' account.

The Company's total assets as shown in the balance sheet dated December 31, 1914, amounted to £2,316,770. The Stock Exchange securities are reported to stand therein at their book values as at December 31, 1913, in the case of securities then owned, and at or under cost price in the case of those subsequently acquired. At the close of 1913 Stock Exchange securities were reported to have stood in the books in the aggregate at £5,475 above their then mean market prices, less accrued interest. But no investment reserve fund appeared in that year's account, whereas at December 31, 1914, there is the investment reserve fund of £25,000, by which the life assurance and capital redemption funds have, however, been diminished through the transfers already referred to. The question of revaluation of securities does not fall to be dealt with for profit-distributing purposes until the next quinquennial valuation, to be made on December 31, 1917.

In the assets are included mortgages on property within the United Kingdom, £601,366; and mortgages on property out of the United Kingdom, £79,844. It is stated in a note to the balance sheet, as was also the case last year, that the amount of these mortgages includes properties in possession. We ventured to suggest, on April 4, 1914, that information as to the amount and nature of such properties in possession would be advantageous. Possibly the matter may be no of great importance, but in that case an explanatory note in the accounts would be reassuring. The amount invested in loans on personal security with life policies on December 31, 1914, was £355,935. The investments in Stock Exchange securities were relatively of small amount, their values in the balance sheet being £171,590. The sum of £438,950 was invested in loans on life interests (£253,414), loans on reversions (£58,990), loans on stocks and shares (£49,155), and loans on the Company's policies within their surrender value (£77,391). The other leading items are: House property within and out of the United Kingdom, £305,487; real estate, £4,859; life interests, £94,019; and reversions, £203,686.

The net amount received in 1914 for interest, after deducting income tax, is reported to have been at the rate of £3 19s. 5d. per cent. per annum on the total assets of the Company. This compares with £4 0s. 2d. per cent. in 1913, the slight diminution being evidently more than accounted for by the increase in the rate of income tax imposed. The rate of interest

actuarially assumed at the last quinquennial valuation was 3 per cent. A fair profit, therefore, seems to be accruing from this source.

STATE ASSURANCE COMPANY, LIMITED.

The trading in 1914 of this Limited Company, which transacts fire, accident, and general insurance business, seems to have resulted in a slight loss. For this the fire department is responsible. The fire premiums (increased by £24,125) amounted to £234,176, and the fire losses and expenses to £234,076. After transfer of £8,042 (representing one-third of the increase in premiums) to the reserve for unexpired risks, the trading loss in this section appears to have been £7,942. On the other hand, the accident and general account, after treatment in a similar manner, shows a trading profit of £6,506. The premiums in this section (increased by £2,973) amounted to £53,142. Thus, upon the whole business of the Company there was a net trading loss of £1,436. On the other hand, the earnings of the Company in 1914 from interest and fees (£8,050), less expenses, charges and income tax debited to the profit and loss account (£3,051), amounted to £4,999; so that, after deduction of the trading loss, there was a surplus of £3,563 on the year's operations.

The issued capital amounts to £560,000, of which £70,000 is paid up in shares of £8, with £1 paid on each. A dividend of 12½ per cent. is declared thereon (this rate being the same as in the preceding year), requiring £8,750 for distribution. The net result, after provision for this dividend, is a reduction of £5,187 in the balance carried forward.

The assets in the balance sheet on December 31, 1914, amounted to £303,557. The investment fluctuation fund is maintained at the sum of £20,000, the amount at which it appeared in the previous balance sheet, and is reported to have been more than sufficient in April 1914 to cover any then existing depreciation. No estimate of the depreciation existing at the close of 1914, when the Stock Exchange was closed, is given.

Apart from capital, investment fluctuation fund, and after provision for the full dividend declared for the past year, the reserves carried forward to 1915 are as follows:—

General reserve fund	...	...	...	...	£ 60,000
Fire fund	...	...	...	...	78,059
Accident and general fund	...	...	...	...	17,714
Balance of profit and loss account	...	...	...	...	2,630
					<b>158,463</b>

These reserves represent about 55 per cent. of the total premium income in 1914. The corresponding proportion shown in the accounts for 1913 was 59 per cent. Under these circumstances the maintenance of the dividend at the former rate seems somewhat open to criticism.

HOWARD AND BULLOUGH.

On the whole this well-known Accrington Company of textile machinery manufacturers has had a prosperous career. Naturally trade depression in the textile industries has adversely affected the profits, but the distribution on the Ordinary shares has always been of a satisfactory character. Glancing at the results for recent years, it may be pointed out that from 1907 to 1912 the Ordinary dividend was maintained steadily at 15 per cent. per annum. The profits for the twelve months ending May 1912 were abnormally swollen by a special profit of £189,467 secured through the sale of Preferred shares in the H. and B. American Machine Company, practically the whole of which, however, was carried to reserve. It would seem that, in spite of the fact that the shareholders received no direct benefit from this sale in the way of a special distribution, the profit made was not of unmixed advantage, for apparently the announcement of the figures brought about a state of unrest

among the workpeople which culminated in a stoppage of the works. Similar trouble was experienced last year, and at the meeting of the Company on July 8, 1914, the Chairman announced that the directors felt compelled to close down the works, as a consequence of trouble with the Amalgamated Society of Engineers, until such time as a reasonable settlement could be secured. Unfortunately, however, a very substantial portion of the financial year just ended passed away before a settlement was arrived at, so, having regard to this and also to the fact that the textile industries both at home and abroad have been in a state of depression owing to the War, it is not surprising to find that the results for the twelve months to May 31, 1915, show a very serious reduction, the trading profit, after providing for depreciation, falling from £163,066 to £32,766, which is very little more than sufficient to provide for the Debenture interest and Preference dividend. Fortunately, however, the Company has always been wisely administered; profits have not been divided up to the hilt, but substantial sums have been placed to reserve, the Company having accumulated an ordinary reserve fund of £340,000, and a dividend reserve of £170,000, in addition to a sum of £120,780 set aside for contingencies and shrinkage of investments reserve. It is thus in a position, which the directors have availed themselves of, to maintain the dividend on the Ordinary capital at 10 per cent. by withdrawing £75,000 from the dividend reserve.

In the following table we set out the manner of distributing the profits for each of the past six years:—

	Year ended May 31—1910	1911	1912	1913	1914	1915
Profits after depreciation	£ 52,766	163,066	170,230	317,076*	145,187	32,766
Less—						
Deb. interest, 4%	10,000	10,000	10,000	10,000	10,000	10,000
Pref. dividend, 6%	15,000	15,000	15,000	15,000	15,000	15,000
Ordinary dividend	75,000	75,000	75,000	112,500	112,500	112,500
	(16%)	(10%)	(10%)	(15%)	(15%)	(15%)
To reserve funds	75,000†	64,500	75,000	180,000	100,000	—
Balance	7,766	—1,444	200	—424	—2,313	—
Brought forward	30,000	31,464	31,225	31,443	33,962	33,962
Carried forward	37,766	30,000	31,464	31,225	31,649	33,962

\* Includes £189,467 profit on sale of H. and B. American Machine Co. Preferred shares.  
† Taken from dividend Reserve.

By the transfer of £75,000 for the purpose of paying the dividend the total reserves are reduced to £554,631, to which should be added the £37,766 carried forward to the credit of profit and loss account. It will thus be seen that even at the reduced figure the reserves form a very substantial proportion to the total share and loan capital in issue of £1,250,000. The total assets are valued at £1,900,487, the largest item in which is the property and goodwill, &c., standing at £858,999. There are various investments standing at £558,556, while the stock-in-trade is valued at £215,258. We append a summary of the liabilities and assets as at May 31 last:—

LIABILITIES.	£	ASSETS.	£
Issued share capital	1,000,000	Property and goodwill, &c.	858,999
4% Debenture stock	250,000	Investments	558,556
		Stock-in-trade	215,258
		Other assets	267,674
Sundry creditors	31,840		
Reserves	554,631		
Profit and loss	64,046		
	<b>1,900,487</b>		<b>1,900,487</b>

The report is silent as to labour trouble conditions at the present time, but presumably they are more settled than they have been since 1912. While the outlook for ordinary trade is scarcely likely to be of the best, it is satisfactory that the Company is able to adapt its works so as to participate in the abnormal demands now being made upon engineering concerns. At the annual meeting on July 7, the Chairman said:—“For some months past we have given a helping hand in the manufacture of war munitions in response to the Government Committee's appeal, and now a considerable portion of our plant is engaged upon that class of work. Altogether we are dealing with a most abnormal period, and it would be idle to attempt comparisons with former years. Our export trade has

necessarily been restricted to a large extent, and the home trade has also been affected. Wages form a constantly increasing factor in the cost of production, and the prices of raw materials keep advancing. Economical working is, therefore, greatly hampered by so many disturbing elements." On the whole, however, apart from any abnormal conditions, the Company will doubtless continue in the future the prosperous career that it has experienced in the past. The £1 Ordinary share is quoted at 38s. 3d., and on the basis of a 10 per cent. dividend the yield afforded is a little over 5½ per cent. The £10 Preference share stands at 11¼, giving an almost equally large return, while the Debenture stock at 94 gives a yield of about 4¼ per cent., as may be seen from the following:—

Amount £	Description	Par £	Price £	Div. %	Yield £ s. d.
250,000	4% Deb. stock ...	100	94½	4	4 5 1
250,000	6% Preference shares ...	10	11¼	6	5 4 10
750,000	Ordinary shares...	1	38½	10	5 5 11

### LOBITOS OILFIELDS.

We congratulate the directors of the Lobitos Oilfields, Limited, on the new departure made in the profit and loss accounts, it having been decided to separate the results of the oil trading from those of the steamers' trading. The shareholders and investors are consequently in a position to take a more intelligent view of the business, which is all to the good. Naturally the Company, though its property is in Peru, has been adversely affected by the outbreak of war in Europe, an additional proof of the solidarity of the whole of the world. The particular manner in which the Company was affected was the difficulty of arranging transport, and in consequence it was necessary to close down all the pumping wells, and it was not until the middle of November that full production was resumed. Naturally the result is that the production for 1914 has only amounted to 67,288 tons, as compared with 74,314 tons in 1913. Otherwise the Company would have been able to record an increased production for 1914. Then, again, smaller profits were secured from the steamers, but in making the comparison it would be remembered that 1913 was an abnormal year in this respect, so that though the 1914 figures are smaller, yet these must be deemed satisfactory. Oil freights during 1913 were exceptionally high, while 1914 right up to the close was a year of moderate freights.

The profit for the year has amounted to £134,652, as compared with £158,353 for 1913. After providing for expenses, depreciation, &c., there is a balance of £52,106, as compared with £93,580 for the previous year. This would have been sufficient by trenching slightly on the carry-forward to maintain the dividend at 15 per cent., but the directors, taking a cautious view, have decided to reduce the rate to 10 per cent., absorbing £36,917, and add £10,000 to the reserve funds, leaving a balance of £3,089 to be added to the carry-forward, bringing it up to £18,890.

We set out herewith the figures relating to the production and the profit made for each year since the formation of the Company:—

	1914 Tons	1913 Tons	1912 Tons	1911 Tons	1910 Tons	1909 Tons	1908 Tons
Production ...	67,288	74,314	78,273	52,172	53,341	57,226	42,653
Profit ...	£134,652	£158,353	£105,901	£61,000	£66,453	£59,013	£35,661
Interest, &c. ...	1,957	1,959	1,290	926	910	610	1,035
Sundry expenses ...	135,709	159,412	107,101	61,926	67,393	59,623	36,696
Depreciation, &c. ...	19,100	8,502	7,482	7,178	8,010	7,312	6,394
	64,593	57,330	55,277	51,060	54,605	42,497	22,186
Balance ...	52,106	93,580	44,542	3,688	4,778	9,814	8,116
Dividend ...	36,917 (10%)	56,497 (15%)	37,665 (10%)	—	—	—	—
	15,189	37,083	6,677	3,688	4,778	9,814	8,116
Reserve ...	12,100	40,000	10,000	—	—	—	—
	3,089	29,917	3,923	3,688	4,778	9,814	8,116
Brought forward ...	15,891	19,718	23,041	19,353	14,575	4,761	9,355
Carried forward ...	18,890	16,801	19,718	23,041	19,353	14,575	4,761

\* Profit earned prior to date of incorporation carried to next account.

We may recall that the Company was formed in March 1908 to acquire property situated on the north coast of Peru, in the Province of Piura, about 60 miles north of the Port of Payta. It extends for about 16 miles, and contains about 11,170 acres of land, and for about two-thirds of its length it runs uninterruptedly along the seashore. There are excellent facilities for discharging and loading. The crude oil produced is of a very high quality, and according to the analysis given in the prospectus, yields about 21 per cent. of petrol, 14 per cent. of kerosene, and 65 per cent. of fuel oil. Up to the time of the flotation of the Company the oil shipped from Lobitos was chiefly used in its crude state as fuel in Peru, and in the nitrate districts of Chile, but the markets have since been extended, and shipments of oil have been made to Japan and to the River Plate.\* Since the accounts were closed the directors have added to the property additional areas of about 3,200 acres, the grounds lying in part contiguous to lands which have already proved to be rich in oil. The price paid is described as a very moderate one, and it has been met out of the Company's ordinary resources. The directors believe that the area added has very great potential value. The Company was formed with an authorised capital of £400,000 in £1 shares, of which 85,000 shares were allotted to the vendors, the remaining shares being offered for public subscription, the whole of the capital thus being paid up. Good reserves are being built up, as may be seen from the following statement of liabilities and assets as at the end of last year:—

LIABILITIES.		ASSETS.	
	£		£
Share capital ...	400,000	Property ...	138,099
Bills payable ...	9,294	Equipment ...	121,641
Sundry creditors ...	41,458	Development account ...	26,166
Survey reserve ...	5,629	Steamers ...	236,786
Reserve ...	20,000	Uncompleted voyage ac-	
Share premium account ...	2,000	count ...	2,694
Profit and loss ...	67,860	Investments ...	18,650
		Stocks, &c. ...	63,724
		Sundry debtors, &c. ...	43,729
		Bills receivable ...	4,697
		Cash ...	14,674
	676,860		676,860

Since the closing of the accounts production has satisfactorily increased. The output for May constituted a record, and for the first time exceeded 8,000 tons. The production for the first five months of the present year was 37,193 tons, as compared with 32,964 tons during the corresponding period of 1914. At the beginning of 1914 there were 112 wells producing oil, and at the end of the year the number was 115. Altogether the current year's prospects are quite satisfactory. It is expected that the steamers will show increased earnings, and it is also satisfactory that while production is increasing the Company has already made contracts which will absorb the increase. Altogether, therefore, there is every probability that the current year's profits will expand sufficiently to enable the 15 per cent. dividend to be restored, and as at the present price of 29s. for the £1 share, on the basis of a 10 per cent. distribution, the yield is as much as practically 7½ per cent., the present affords a distinctly favourable opportunity for taking an interest in the Company.

At the meeting of the National Bank of New Zealand the Chairman said that since the commencement of the War New Zealand had enjoyed a period of unexampled prosperity. The exports of produce from the country in the quarter ended March 31 last amounted to about 27½ millions, against 23¼ millions in the previous year. Of the total, wool contributed 10½ millions, frozen meat 6½ millions, and dairy produce 4¼ millions. The imports into the country, on the other hand, showed a decrease from 22½ millions to nearly 20½ millions, so that the excess of exports increased from £1,150,000 to £7,000,000. The War, the widespread drought in Australia, and the bountiful season in New Zealand all contributed to the high level of prices that so largely contributed to this prosperity.

## Life Assurance at Minimum Rates

A  
PLAN of ASSURANCE  
SPECIALLY ADAPTED  
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### GRESHAM LIFE ASSURANCE SOCIETY, LIMITED,

ST MILDRED'S HOUSE, POULTRY, E.C.  
Founded 1848. Funds £10,500,000

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Transacts all classes of Fire and Accident Business  
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## PROFITS & INCOME INSURANCE COMPANY, Limited.

9 FLEET STREET, LONDON, E.C.

Assets exceed - £300,000

### PERMANENT SICKNESS AND ACCIDENT INSURANCE.

Policies are granted, renewable at the option of the Assured, up to a selected age not exceeding 65, insuring against temporary or permanent Loss of Income.

#### SPECIAL FEATURES.

Capital Sum "Sickness, Accident or Death" Policy.

Capital Sum Sickness and Accident Policy.

Perfected Sickness and Accident Policies.

CHAS. WINDETT, Actuary and Secretary.

## THE CITY LIFE ASSURANCE COMPANY, LTD.,

6 PAUL STREET, FINSBURY, LONDON, E.C.

Capital Authorised - £500,000. Capital Paid up - £108,507.  
Capital Subscribed - £129,000. Invested Funds exceed £699,000.

#### THE LIFE ASSURANCE BRANCH EMBRACES.

Whole Life and Endowment Assurance.

Immediate and Deferred Annuities.

5 and 7 Fold Option Policy.

The "City" Life Assurance and House Purchase Policy.

The "Dot" Policy (Children's Assurance).

The popular series of "Ideal" Policies.

The Pure Endowment "Advance" House Purchase Policy.

The Scout Policy; and many other attractive tables.

Active Agents wanted. Liberal Terms. Exceptional opportunities for early promotion to lucrative positions.  
Prospectus and Terms free on application.

M. GREGORY, General Manager.

## COMMERCIAL UNION

ASSURANCE COMPANY, LIMITED.

Chief Office - CORNHILL, LONDON.

Total Assets (including Life Funds)—£26,774,505.

## ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £20,409,644

FIRE, LOSS OF PROFITS,  
MOTOR CAR, MARINE, LIFE,  
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BURGLARY, LIVE STOCK,  
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## Commercial.

### THE WAR AND METALS.

THE relation of the Metal markets to the successful conduct of our military and naval operations is being forced home more and more forcibly week by week, and there seems good reason to believe that the various Government departments concerned are becoming more and more alive to the urgent necessity of conserving all supplies of metals reaching this country, so far as possible, for the production of national requirements. From day to day increased attention is given to the export situation, and the last week or two has made it fully apparent that the

strongest measures will be taken to prevent metals exported from the country falling into the hands of Germany and her friends. It is hardly possible now to ship any metals away from this country without obtaining special permission to do so, in the form of a permit issued by the authorities; and this is quite as it should be, although there are isolated cases in which the regulations have pressed with somewhat undue harshness. So far as possible all applications are considered strictly upon their merits, and where the needs of any of our Allies, either France, Russia, or Italy are concerned, the utmost possible latitude and despatch are afforded to shippers, though it appears that the claims of neutrals are no longer considered.

There has been some vague talk about large quantities of copper being shipped from the United States to Holland during recent months, but there is probably not a word of truth in the rumours. At any rate, the figures below indicate the total copper exports from the United States from January to May, which amounted to 119,551 tons, against 184,312 tons last year. The insignificance of the shipments to Holland is to be appreciated from the fact that the quantity was only about one hundredth of that for the corresponding period of last year. Details for the chief countries of destination are given below in tons:—

#### U.S.A. Copper Exports.

	1915	1914
To United Kingdom...	38,825	31,412
„ France ...	46,828	33,914
„ Germany ...	—	61,157
„ Holland ...	383	35,729
„ Austria ...	—	9,830
„ Italy... ..	29,919	7,940
„ Norway and Sweden ...	9,746	—

The fear, however, that some actual restriction upon trading in metals might be rendered necessary has quite discomfited operators in the markets, and the result has been a pretty regular decline in prices during the past week, in which practically all the leading commercial metals subject to speculation, apart from spelter and pig iron, have participated. Just at the close of the week, however, tin and lead rallied, owing to the torpedoing of a vessel for Russia with considerable quantities of these metals on board. The price movements since the War started are partly reflected in the table given below.

	July 30, 1914	Dec. 31, 1914	July 2, 1915	July 9, 1915
Standard Copper, cash ...	£ 55 15 0	£ 56 12 6	79 2 6	77 15 0
Standard Tin „ ...	132 0 0	148 0 0	170 15 0	171 10 0
Prompt Lead ...	18 15 0	19 0 0	25 0 0	24 10 0
„ Spelter [ ...	21 10 0	27 15 0	165 0 0	165 0 0
Cleveland Iron ...	50/10 1/2	51 1/4	67 0	67 6
Antimony ...	£ 28	£ 65	£ 125	£ 125

The present feeling is undoubtedly one of modified suspense, and confidence is not assisted by the fears entertained of much dearer money. This has been responsible undoubtedly for a part of the recent liquidation, and there is no inducement at the present time for operators to open up new speculative engagements. Brokers generally are averse from taking further new business of this kind upon their books, and it rather seems as if there might have to be some general regulation of the trade in the near future. The lead position, in particular, has been the subject of close investigation recently, and it is difficult, if not impossible, to get permits to export it unless it is destined for one of our Allies. There are large inquiries in the market now for Russia, and some very big business seems to be on the eve of being placed, but the export restrictions imposed in the United Kingdom will probably necessitate practically the whole of this business being placed direct, either in Spain or America. It would be a matter for great regret if the reasonable requirements of our Allies in this shoulder-to-shoulder fight were not to be satisfied as far as can safely be done in the United Kingdom, for these are not times in which friction between friends can be lightly encouraged.

## AMERICAN COTTON.

LIVERPOOL, Thursday.

OUR market continues fairly steady with unimportant fluctuations in price, and with an active business passing in the spot department. Trading in futures has been only on a restricted scale. To-night's closing rates show a decline of 4 to 11 points for the fortnight, American deliveries of July-August being quoted at 5.08½d., January-February at 5.43½d., while Egyptian July delivery is 7.32d.

The reduced volume of trading in futures is due to the War preventing any business with enemy countries, and thus cutting off a large number of orders which usually at this season come into the market from Austria and Germany. In addition, the Lever Bill in the United States has rendered future business in this market emanating from that country impracticable, so that on both sides of the Atlantic important sources of business are stopped. The quietness in futures, however, has been offset by a large and active trade in spot cotton. Our own spinners have bought freely, and some very fair lines have been also booked for export. The support afforded to the market by the insistent demand for actual cotton is, we consider, the main reason for the steady tone which has characterised the market. Under present conditions the willingness of consumers and others to purchase on the spot is likely to persist, as cotton now in store can be bought on a cheaper basis than purchases ahead, which are charged a heavy premium. Moreover, the very excellent spinning qualities of this crop are an additional reason to induce spinners to accumulate stocks of the raw material. In this respect the next crop may prove very inferior.

The June Bureau Report issued last week occasioned little interest or comment, and the indicated figure is very much as anticipated. The condition figure, 80.3, and the estimated acreage showing a

decrease of about 16 per cent., would seem to point to a crop in the neighbourhood of 12,000,000 bales, but it is scarcely necessary to say that the June condition is a very uncertain guide as to the probable crop, as before maturity the outlook may altogether change. We consider 12,000,000 bales more than ample for next season's requirements, and if the crop progresses favourably we do not think the Americans will be able to sell the new crop at current values. Austria and Germany will not be allowed to import cotton. Italy is now groaning under exceptionally heavy stocks, and the imports into Holland and Scandinavia will be strictly limited to their spinning capacity. In this country, roughly speaking, stocks of cotton are double what they have been for the last two or three seasons, so that there is no reason to anticipate any eager European competition for new-crop cotton. Locally the ability of our merchants to import will be limited by the difficulty in finding storage accommodation in Liverpool. The rate of exchange is also against importing, and unless new-crop accounts become distinctly unfavourable we expect the advent of new-crop offerings will bring reduced prices.

Spot business, as we have said, has been very active, with twist descriptions hardening in basis against the buyer. Weft cotton and the lower qualities have been freely offered. A good business has been done for export and with local merchants, chiefly in grades above middling.

The New York *Commercial and Financial Chronicle* for June 26 marked the completion of the fiftieth year of that important American journal, and we would congratulate our contemporary on the great position it has held throughout that long period in the esteem of the business world. We do not, of course, always see eye to eye with the *Chronicle* as to the policy which capitalists, financial houses and bankers, and business men should pursue in an economic environment constantly subject to change. Nevertheless, we never fail to appreciate the great value of the information which the *Chronicle* places before its readers, or the single-minded endeavours of its Editors to influence public opinion in the direction which they consider makes for the public welfare, and the solid advancement of the American people. During its entire existence the *Chronicle* has rendered powerful assistance to the American people in their endeavour to find the vast sums of capital they have needed for the development of their great and rich country, a development which has been of advantage and benefit not merely to the United States but to all nations, and especially to the British people, who have thus been able to obtain food and raw material in abundance.

BANCO DE CHILE.—Dividend of 7 per cent. for the half-year.

BANK OF BOMBAY.—Dividend for half-year at the rate of 13 per cent. per annum, with a bonus of 2 per cent. per annum; Rs. 75,000 bonus to Staff and Pension Fund; Rs. 556,804 carried forward.

PARR'S BANK.—Interim dividend for the half-year ending June 30, 1915, at the rate of 18 per cent. per annum, subject to deduction of income tax. This is at the same rate as the dividend for the half-year ended December 31, 1914.

PROVINCIAL BANK OF IRELAND.—Dividend at the rate of 12½ per cent. per annum, less tax, for the half-year ended 30th ultimo.

UNION OF LONDON AND SMITHS BANK.—Dividend at the rate of 10 per cent. per annum, subject to income tax. After applying £150,000 as provision for depreciation in the value of securities, a sum of £133,615 is carried forward. At this time last year the dividend was at the rate of 10 per cent. per annum, together with a bonus of 2 per cent. per annum.

UNITED COUNTIES BANK.—Interim dividend of 5s. 3d. per share for the half-year ended June 30 last, being at the rate of 13½ per cent. per annum, less tax.

WEST YORKSHIRE BANK.—Interim dividend of 10s. 8d. per share for past half-year (10½ per cent. per annum), less income tax.

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Per Packet of Ten

**BOUQUET**

SIZE **6<sup>D</sup>**

**QUEEN**

SIZE **9<sup>D</sup>**

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# REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS OF

# THE DOMINION STEEL CORPORATION, LTD

Presented at the Annual Meeting on Thursday, 24th June, 1915.

Your Directors submit herewith the Consolidated Balance Sheet as at 31st March, 1915, together with the Profit and Loss Account for the year ending on that date.

The net earnings of the Corporation and its Constituent Companies, after making full provision for bad and doubtful debts and after adjustment of the values of materials on hand, were \$3,571,058.98.

From this amount there has been reserved for depreciation Sinking Funds and proportion of discount on bonds the sum of \$1,064,279.88. The undivided profits carried forward have been increased by \$225,256.24. The business of the Steel Company was seriously disturbed during the year and the Directors were obliged to postpone payment of the dividends on its Preferred stock.

The operations of the Coal Company were affected unfavourably by the closing down for some months of the Steel plant, but its business was on the whole well maintained. The prospects for the coming year are good, but the requisition of our Colliers by the Admiralty is seriously affecting the question of transportation.

In the early part of the year a distinct revival in the demand for iron and steel in Canada was apparent but business came to a standstill with the outbreak of the war. We have as yet experienced no revival of the Canadian demand, but there is a considerable tonnage of steel required for war purposes, and the demands for the export trade are large, while prices abroad have risen to a great extent in keeping with the heavy cost of trans-

portation. Your Company is receiving a full share of business in these lines.

The only material addition which your Directors have made to your properties since the last annual report is a plant for the recovery of Benzol and other hydrocarbons, the erection of which was undertaken in February. This plant, although not quite complete, is producing a considerable quantity of these by-products, which are now greatly in demand. Even under normal conditions the plant should yield a very good return on its cost.

The properties of the Corporation and their equipment have been maintained at the usual high standard of efficiency and repair.

On the whole your Directors are pleased to be able to report a marked improvement in the outlook for your Constituent Companies in the coming year, as the result, mainly, of the special demands from abroad.

Your Directors desire to express their deep appreciation of the zealous and untiring services rendered by the officers of the Constituent Companies during the year. Their burdens and responsibilities are greatly increased in such times as these, and the response of your officials in their various fields of labour has been uniformly loyal and efficient.

All of which is respectfully submitted.

For the Board of Directors,

J. H. PLUMMER, President.

MONTREAL, 28th May, 1915.

## DOMINION STEEL CORPORATION, LTD., AND CONSTITUENT COMPANIES.

### CONSOLIDATED PROFIT AND LOSS ACCOUNT for the Fiscal Year ending March 31st, 1915.

Net earnings of the Corporation, Manufacturing, Selling and Administrative Expenses, and other charges Provision for Sinking Funds and Discount on Bonds and Notes	\$3,571,058.98
Depreciation on Plant, Machinery, and Equipment, and Permanent Improvements	920,693.18
	\$2,650,965.80
Interest on Bonds and Loans	\$1,651,522.56
Provision for Depreciation on Bonds and Notes	144,186.70
	1,795,709.26
Net Profit	\$855,256.54
Add—Balance at April 1, 1914	796,907.07
	\$1,652,163.61
Less—Dividends:	
on Preferred Stock	\$420,000.00
On Preferred Stock of Dominion Coal Company, Limited	210,000.00
	630,000.00
Balance, March 31, 1915	\$1,022,163.61

## DOMINION STEEL CORPORATION, LTD., AND CONSTITUENT COMPANIES.

### CONSOLIDATED BALANCE SHEET at March 31st, 1915.

ASSETS.		Brought forward	
Cost of Properties of the several Constituent Companies	\$79,390,822.88	\$1,500,000.00	\$22,286,173.33
Less—Reserves for depreciation and exhaustion of mineral areas	10,066,106.63	6 p.c. 5-year Notes	3,406,666.67
Discounts and Premiums on securities, &c.	\$69,304,716.25	6 p.c. Employees' Debentures	58,669.00
Notes receivable and cash in hands of Trustees	3,528,108.11		4,965,335.67
Current and Working Assets:—	151,264.41	Total	\$27,251,509.00
Inventories	\$5,574,723.14	Current Liabilities:—	
Accounts receivable	2,125,475.80	Loans and Accounts payable (of which \$2,488,261.63 are secured under Section 88 of the Bank Act)	\$3,865,958.16
Cash	795,164.84	Accrued interest on Bonds	356,123.93
	8,495,363.78		4,222,082.09
Deferred Charges to Operations:—		Reserves:—	
Insurance and other expenses paid in advance	365,199.37	Contingent and other funds	\$567,397.47
	\$81,844,651.92	Preferred Stock Dividends accrued	115,000.00
		Outstanding Stock Interests in Constituent Cos.	23,245.47
			695,642.94
		Capital Stock:—	
		Preference Shares of Corporation	\$7,000,000.00
		Preferred Stocks:—	
		Dominion Coal Company (Limited)	\$3,000,000.00
		Dominion Iron and Steel Company (Limited)	5,000,000.00
			8,000,000.00
		Common Stock of Corporation	\$37,097,700.00
		Less—Held by Constituent Cos.	5,000,000.00
			32,097,700.00
			47,097,700.00
		Surplus:—	
		Total Surplus of the several Constituent Companies at dates of acquisition in excess of premiums paid on purchase of stock thereof	\$1,555,554.28
		Profit and Loss Balance	1,022,163.61
			2,577,717.89
			\$81,844,651.92

We have audited the books and accounts of the Dominion Steel Corporation, Limited, and its Constituent Companies for the fiscal year ending March 31, 1915, and we certify that in our opinion the above Balance Sheet is properly drawn up, and shows the true financial position of the Combined Companies at March 31, 1915, and the relative Profit and Loss Account is a fair and correct statement of the results of the operations for the year.

PRICE, WATERHOUSE & CO., Chartered Accountants.

NOTE.—(1) In addition to the Bonds outstanding as stated above, £734,000 Consolidated and \$975,000 Cumberland Bonds are deposited as security to 5-year secured notes.

(2) Contingent Liability in respect of Customers' paper discounted, \$577,182.85.

(3) The dividend on the Preferred Stock of the Dominion Iron and Steel Co., Limited, has been paid to April 1, 1914.

# MEETINGS OF PUBLIC COMPANIES.

## NATIONAL BANK OF NEW ZEALAND, LIMITED.

THE forty-third ordinary general meeting was held on July 6 at 17 Moorgate Street, E.C., Mr. Robert Logan presiding.

The Chairman, in moving the adoption of the report and accounts, said that when he met the proprietors in July last he remarked that they had passed through an eventful year; but none of them, he believed, had at that time any idea that the dreadful calamity which overtook the world in August last was within one short month of its occurrence. Continuing, he observed that for the first four months of the Company's banking year their business did not present any features of particular importance. In August and September they suffered in common with all other institutions. Since then their business had been exceedingly good, though under altered conditions. New Zealand was primarily and chiefly an agricultural country, and they would recognise what that meant when he told them that the exports of produce last year amounted to about 27½ millions sterling, as compared with 23½ millions in the previous year. Of that enormous total wool contributed 10½ millions, frozen meat nearly 6½ millions, and dairy produce nearly 4½ millions. These figures were largely in excess of those of the previous year, not only in quality but also in value. The imports into New Zealand, on the other hand, showed a decrease from 22½ to nearly 20½ millions, so that the surplus of exports of the Dominion, which last year amounted to £1,150,000, increased to about £7,000,000 in the year ended March 31 last. New Zealand had had since the War began a period of unexampled prosperity. There had been no labour troubles in the Dominion since he last addressed the proprietors, and the workers had set an admirable example of industry and patriotism. The War, the widespread drought in Australia, and the bountiful seasons in New Zealand had all contributed to this prosperity.

The Chairman then referred to the principal items in the balance sheet and profit and loss account, and remarked that the paid-up capital remained, and was likely to remain for some time, at £750,000. The reserve fund, with the appropriation now proposed, would amount to £685,000. Their investments had largely increased, and the increase was entirely accounted for by investments in the War Loan and in Treasury Bills. There was an increase of £17,000 in gross and of nearly £5,000 in net profit, which was, in the circumstances, very satisfactory. The increase would have been greater had it not been for the unavoidable increases in income tax, amounting to £3,716, and in note tax and land tax in New Zealand, which accounted for very nearly £5,000 more.

Mr. Thomas Seaber seconded the motion, which was carried unanimously, and a dividend at the rate of 12 per cent. for the six months ended March 31, together with a bonus of 1 per cent. for the year, was declared.

## MARCONI INTERNATIONAL MARINE COMMUNICATION COMPANY, LIMITED.

THE fifteenth ordinary general meeting was held on July 7 at the Hôtel Métropole, S.W., Mr. Godfrey Charles Isaacs (Managing Director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Ladies and Gentlemen,—Before proceeding with the business of the meeting, I desire to express on behalf of Mr. Marconi his regret at not being able to preside to-day. His country having joined the Allies in this War in the cause of justice and civilisation, he has been called by his Government to Italy, where he has joined the engineering staff of the Italian Army to superintend the organisation of its wireless communications and ensure that nothing will be found wanting in that direction. In these circumstances I am called upon to preside to-day. With your approval, I propose to follow the usual course of taking the report as read, and I will proceed to deal with the balance sheet and to give some explanation of the figures. On the debit side it will be observed that the Debentures are reduced from 6,250 to 6,094, representing £121,880, instead of £125,000 as appeared in the balance sheet of 1913. This difference is accounted for by the purchase by the Company of 156 Debentures of a value of £3,120. The amount appearing to creditors is some £8,000 to £9,000 in excess of the figure of the preceding year, accounted for merely by the normal increase of business. On the credit side the plant apparatus, furniture, and stores shows an increase of between £39,000 and £40,000, due to the additional number of telegraph stations installed on board ships during the year, after making the customary substantial allowance for depreciation

upon all installations fitted in previous years. The debtor balance shows an increase of some £13,000 to £14,000, consistently with the growth of the business. The available cash represented by cash at bankers and loans against securities is less than the preceding year, in consequence of the considerable sum, to which I have already referred, which has been added to plant in the shape of additional stations installed.

### Increased Business and Ratio of Expenditure.

Turning to the profit and loss account, it will be observed that, in consequence of the bigger business, expenses and salaries show an increase over the figures of the preceding year, but it will be satisfactory to note that these figures have not increased in the same ratio as the increase of business. While each new installation entails additional salaries to operators, the establishment costs of the complete world-wide organisation increase but slightly. The revenue on the other side shows an increase amounting to between £28,000 and £29,000. I would point out, however, that, in consequence of the outbreak of war, the receipts from ships' telegrams and news services during the last five months of the year suffered very materially. In the circumstances, and bearing in mind that ours is not the nature of business which derives any advantage in consequence of the War, I think you will agree that the result of the year's operations is the more satisfactory. It shows a continuous development year by year of a sound and growing organisation. The net profit for the year, £55,668 1s. 1d., after deducting £28,000 8s. 10d. for depreciation and Debenture interest, will, I am sure, be regarded as highly satisfactory. This sum, added to the amount carried forward from the preceding year of £6,067 13s. 10d., leaves an available balance to the credit of profit and loss account of £64,855 14s. 11d. An interim dividend at the rate of 5 per cent. has already been paid, and it is now recommended that a final dividend of 5 per cent. in respect of the year 1914 should be declared, making 10 per cent. for the year.

### Special Reserve for War Losses.

As you have been informed in the report, some loss has been sustained in consequence of the destruction of ships by enemy submarines, and, having regard to the fact that this method of warfare continues, your directors have thought it desirable to place a sum of £10,000 to a special reserve account to provide for any eventualities, as being the prudent course, although they contemplate that compensation will be received. After allocating a further sum of £3,500 to the repayment of Debenture account, there will remain an amount of £20,747 6s. 11d., which it is recommended should be carried forward, in order that the Company shall have at its disposal ample cash resources. Every week we are adding new installations, entailing additional capital expenditure, but, nevertheless, adding steadily to the growth of our revenue. At the end of last year we had installed and were operating 905 telegraph stations upon the high seas. Up to June 19 this year the number had increased to 970, and contracts continue to be entered into in much the same ratio. At no time before, perhaps, has the value of Mr. Marconi's invention and the utility of this Company's organisation been more prominently emphasised than since the outbreak of war, and when peace once more obtains an interesting chapter may be written of the part played by the 2,000 Marconi stations fitted upon the vessels of the mercantile marine under the control and management of the Marconi Companies.

Our great thanks are due to our Manager, Mr. Bradfield, and the other members of the staff, who have so ably handled our business during very difficult times; and the greatest appreciation is due to our magnificent army of telegraph operators, who have unflinchingly carried out their duties on board ship.

Captain Henry Riall Sankey, R.E., seconded the resolution, which was carried unanimously.

### The Dividend.

The Chairman: I now beg to move: "That a final dividend of 5 per cent., equal to 1s. per share, less income tax, upon the capital now issued and paid up be and the same is hereby declared for the year ended December 31, 1914, and that the said dividend be payable on July 31, 1915, to the shareholders now registered on the books of the Company and to holders of share warrants to bearer."

Mr. Alfonso Marconi seconded the resolution, which was carried.

**RAND MINES, LIMITED.**  
(Incorporated in the Transvaal.)

The twentieth ordinary general meeting was held in Johannesburg on June 10. Mr. R. W. S. Jansen, President, presided.

The Chairman, in moving the adoption of the report and accounts, said: The results for the year 1914 were again not normal owing to a small measure to the industrial disturbances at the commencement of the period, and to a larger degree to the great War that Germany forced on the world in August last. The profit of £1,166,250 which we have to record for the period under review must, in the circumstances, be regarded as very satisfactory. This profit shows a decrease of £72,596 compared with the results of the previous year, but this decrease is accounted for by the fact that in 1913 we sold more shares and realised a profit of £128,867, whereas in 1914 we sold a smaller number of shares and realised a profit of only £26,264. The profits received in 1914 from dividends and bonuses distributed by the mining and other companies in which we hold interests amounted to £1,131,525, as compared with £1,129,788 in 1913, and our revenue from reservoirs, interest and exchange, and other sources totalled £50,010 in 1914, as compared with £35,218 in 1913. Our large holding in Crown Mines shares showed a drop in revenue amounting to just over £103,000; this is almost entirely balanced by the bonus distribution made by the Ferreira Deep, Limited, and against the shortfall from the Nourse Mines and the Rose Deep we have to chronicle increases in revenue chiefly from the City Deep, Limited, and Village Deep, Limited, from our reservoirs and from sundry sources, and also the sum of £41,000 received from our new holding in the Robinson G.M. Company. Taken all in all the total revenue in 1914, exclusive of the profit realised on shares sold, shows an increase of £18,530 over the results of the previous year. Two dividends of 110 per cent. and 90 per cent. respectively, absorbing £1,062,997, were paid in respect of the financial year. The credit balance brought forward at the end of 1914 amounts to £339,102, and this amount, with the exception of the small sum of £9,594, is represented entirely by cash and bank balances.

**Ore Reserves.**

I append the following figures showing the ore reserves of the 31 Companies of the gold mining companies in which we hold large interests and help to control:—

Company	Ore Reserves, exclusive of Shaft and Safety Pillars	Estimated Value in Shillings per Ton	Estimated Value of Contents £
Modder B	2,572,840	36.1	5,004,000
New Modder	9,513,700*	25.2	10,408,000
Rose Deep	3,283,400	22.7	3,726,000
Geldenhuis Deep	1,198,000	26.5	1,587,000
Nourse Mines	2,337,360*	26.6	3,168,000
City Deep	2,144,000	40.2	4,390,000
Village Main Reef	814,400	31.1	1,266,000
Village Deep	2,331,000	29.3	3,473,000
Ferreira Deep	1,344,200†	35.5	2,385,000
Robinson Gold Mine Co.	88,000	29.3	1,317,000
Crown Mines	9,369,000	24.3	11,678,000
Bantjes Consol. Mines	69,000	24.8	856,000
Durban Rd. Deep	925,000	26.9	1,290,000
Totals	34,025,140	—	50,366,000

\* Ore reserves at June 30, 1914.  
† Ore reserves at Sep. 30, 1914.

In addition to the amount of £50,306,000 it is estimated that there is gold to the value of £6,401,000 in safety pillars and boundary pillars, which will be worked in course of time. The increased value of the total gold contents as compared with the figures given by me last year is due to the inclusion of the reserves of the Robinson G.M. Company, Limited, otherwise the total would remain almost unaltered.

**Modderfontein and City Deep.**

The individual Company showing the largest increase in the value of its ore reserves is the New Modderfontein G.M. Company, which, at the end of June 1914, had 5,900,000 tons, worth £10,400,000, an increase of nearly £3,000,000, as compared with the figures at June 30, 1913. It will be seen that the estimated value of the gold contents is equivalent to almost £30 per share. Probably half of this sum may be regarded as profit that will become distributable, and the bulk of the property is as yet undeveloped. The City Deep shows a satisfactory increase of over £430,000 in the value of its ore reserves, as compared with the year before, and the Village Deep an increase of £1366,000. The Modderfontein B shows an increase of £117,000 owing to better grade, and the Nourse Mines a considerable advance due to bigger tonnage. Declines in the total value of the ore reserves are shown at the Rose Deep, Geldenhuis Deep, Bantjes, and Crown Mines. The most serious decline is at the last-named property, but it is believed that the average value of 24.8s. per ton estimated at the end of 1914 is conservative, and it is hoped that in

practice better results will be obtained than those indicated. The good profits obtained by the Crown Mines during recent months have been a very satisfactory feature.

**Reef Values in Depth.**

The reef values continue to be satisfactory at the greatest depth at which our mines are working. The supply of native labour was better in 1914 than in 1913, and during the early months of 1915 a further satisfactory increase in the number was recorded.

**Current Year's Prospects.**

I now turn to the prospects of our Companies for the current year. The dividends which they have just declared for the half-year ending June 30, 1915, must be regarded as satisfactory in almost every instance. Increases are shown in the rate of distribution by the City Deep, New Modderfontein, and Modderfontein B companies. The Crown Mines, on the other hand, continue to make a cautious declaration of 35 per cent., and on this account the dividend declared by the Rand Mines, Limited, will not be more than 80 per cent., or 4s. a share, which is less than has been earned. This dividend is being declared to-day. At the Ferreira Deep work has recently been somewhat disorganised, and profits have been affected by earth tremors, which took place in December and in April last and damaged a portion of the western shaft. In view of the experience of the last few months, it has now to be realised that similar trouble may occur again, but there is no reason to alter the opinion expressed by the Chairman at the last annual meeting of the Ferreira Deep as the result of the fullest technical investigation that there is no likelihood of the successful exploitation of any part of the mine being permanently prevented. The board of the Company has now decided to deepen the western vertical shaft somewhat and to abandon entirely, and as soon as possible, the portion of the incline shaft situated within the danger zone. It is hoped that the mill tonnage will again be normal next month. As far as we can see the results of the mines generally during the second half of 1915 are likely to be at least as good as those for the first half of 1915. In the Far Eastern Rand the developments of the last year or so appear to confirm the belief that this district will in time become a great gold-producing area.

Mr. Renaud seconded the motion, which was carried unanimously.

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**MODDERFONTEIN B GOLD MINES, LIMITED.***(Incorporated in the Transvaal.)*

The sixth ordinary general meeting was held in Johannesburg on June 1, 1915, Mr. R. W. Schumacher presiding.

The Chairman said: The results of the operations during the year 1914 were again satisfactory, and indicate the great possibilities of the Modderfontein B mine.

**Working Profit—Ore Reserves.**

The working profit was £446,341 from 440,000 tons milled, which tallies very closely with the forecast made by me a year ago, when I said that there appeared to be reason to expect profits in the neighbourhood of £1 per ton without mining above the average grade of the ore reserves. Working costs have been reduced to 15s. 7d. per ton, and the 2,772,000 tons of ore reserves developed at the end of December 1914 are estimated to have an average value of 8.6 dwt., as compared with 2,800,000 tons having an average value of 8.3 dwt. at the end of 1913. The average grade of the ore reserves shows a slight improvement; the tonnage, on the other hand, shows a small decrease, although the development during the year was in excess of the ore mined. Reference has been made at previous meetings to the difficulty of estimating the value of large blocks of ore, such as exist in our mine, when they are first developed. Evidence which has gradually accumulated is now sufficient to warrant the sub-division of some of these blocks, with the result that certain areas have been eliminated from the payable reserves on account of the probability that they will be unprofitable to work, or pending additional detailed development. The estimates of ore reserves can now be regarded as more accurate than before, and the tonnage in hand is sufficient to meet the requirements of the existing plant for about five years. The cash position of the Company remains strong. After paying two dividends for the year 1914 of 25 per cent. and 30 per cent., absorbing altogether £385,000; after paying Government taxes, capital expenditure, chiefly in connection with the increase of the plant, and other liabilities, a balance was brought forward at the end of 1914, amounting to £183,139, as compared with £199,163 at the end of 1913. Of the present balance £117,395 is actual cash, and there are in addition further cash sums of £24,555, earmarked for further exploration of the eastern side of the mine, and £14,125 for expenditure on renewals and replacement of plant.

**Promising Outlook.**

The outlook for the future is very promising. The capacity of the reduction works has been gradually increased, and the machinery and plant are running efficiently and well. Sorting arrangements have been improved, and it is now possible to discard a higher percentage of waste rock. An extra tube mill which has been ordered has been delayed owing to the war, but it is expected to arrive here about the middle of July, and it should then soon be possible for the mine to crush 45,000 tons a month without strain. Underground the position is strong, and everything is working smoothly. The management is to be congratulated on the careful, systematic way in which the hanging wall has been supported from the date that stoping first commenced. It has set an example in this respect, and deserves the compliments paid to it by the Government Mining Engineer in his annual report of last year. Development operations have been advanced as rapidly as the limited supply of labour would allow. The values in the western portion of the mine, near the New Modderfontein boundary, are nearly everywhere good, and in many places very good. It is interesting to note that where the lowest level, the fourth, has been started the highly payable values disclosed are immediately below a portion of the long unpayable stretch on the third level. We have again not had a sufficient number of natives to do much work in the eastern portion of the mine, where the ground is more broken, and where it consequently takes longer to obtain results. We have, however, obtained encouraging values on the first level from No. 9 outcrop shaft, as shown on the map which accompanies the annual report. Developments in the Geduld mine have also disclosed a large body of good grade ore quite close to our south-eastern boundary.

**Prospect of a Long Life.**

The general position of the Modder B mine can be summarised as follows: The western portion of the mine, which in itself comprises a very large area, seems to hold out the prospect of a long life on the basis of the present capacity of the mill, with good grade ore and good profits. In addition to these prospects there are all the chances connected with the big area comprising the eastern portion of the mine. To-day we have little knowledge about this ground, but within the next two years or so we should know a great deal. The future scale of our crushing operations

will depend on the results of development work in this area. If these results prove the existence of large stretches of payable ore, there is no reason why the crushing capacity of the property should not in due time gradually be increased, and it should be possible to effect this increase without very great expense, especially as the main shaft is laid out and equipped to handle large tonnages. We are purposely keeping in hand considerable cash funds so as not to be unprepared for expansion at a later date. From January 1 to the end of April 1915, 161,900 tons have been crushed, yielding a working profit of £182,927. These figures speak for themselves. We expect a good profit for May, and should be able to declare a satisfactory dividend at the end of the current half-year.

I have pleasure in recording the board's appreciation of the services of our Consulting Engineer, Mr. H. Stuart Martin, our Manager, Mr. C. L. Butlin, and of his entire staff.

I now beg to move that the directors' report, balance sheet, and accounts for the year ending December 31, 1914, laid before the meeting, be received and adopted.

Mr. W. J. Corder seconded the motion, which was carried unanimously.

**SOUTH AFRICAN BREWERIES, LIMITED.**

The twentieth ordinary general meeting was held on July 7 at Winchester House, Old Broad Street, E.C., Mr. Frederick Mead (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Taking the debit side of the balance sheet, you will note that the Company have sustained a further loss owing to the cancellation of a licence. The item £38,775 "special reserve" must be taken in connection with the amount under "trade investments" on the credit side, and, we hope, is ample to meet the case. Turning to the other side of the account, you will notice that trade loans and mortgages have been reduced, the repayments of loans at due date during these depressed times being a matter of congratulation. You will also notice that stocks have been considerably reduced, the curtailment of the sales being partly responsible for this, while the closer supervision of such items as casks, bottles, and cases, under the system inaugurated during my visit to South Africa last year, has allowed the Company's business to be carried on with a lower expenditure in these items. You will notice that the investments of the Company in securities outside the business have been depreciated by no less an amount than £15,526 5s. 7d. You will note with gratification that the cash position is a strong one. Cash is always a good asset, and in times like these especially so, as the Company can take instant advantage of any sound opportunity that may occur for securing fresh trade. Turning to the profit and loss account, you will note that the total of the two amounts representing London office expenses is somewhat less than last year, while, unfortunately, the profits in South Africa show a decrease. With regard to the net revenue account, you will notice that the balance of income tax which falls to be met by the Company is considerably in excess of last year, this being accounted for by the variations in the income tax levied over the period. Notwithstanding the reduction in the profits, the board decided to continue their practice of adding to the reserve fund, feeling sure that the shareholders would approve of this policy, more particularly in times such as these. After making these provisions, the balance that is available allows for a further payment of 2½ per cent. on the Preference shares (making 5 per cent. for the year), and a further dividend of 7½ per cent. on the Ordinary shares (making 12½ per cent. for the year), leaving an amount of £32,657 4s. 4d. to be carried forward. I will now turn to the report, the principal paragraph of which deals with the Company's affairs in South Africa as affected by the outbreak of war. You will realise that with the comparatively small white population such as South Africa contains, the enrolment of large numbers in the Defence Force caused a widespread dislocation in the trading conditions there. The spending power of the population was automatically reduced, while the drastic regulations issued under martial law considerably restricted the Company's business. The expenditure necessitated by the military operations was such that the South African Government were compelled to resort to additional taxation. This Company was principally affected by the enforcement of an income tax of 1s. 6d. in the pound—now increased to 2s.—and an increase of 50 per cent. in the Excise. The taxes paid by this Company to the South African Government by way of income tax, Excise and Customs duties now amount to an extremely large sum, and, although in times of stress such as exist at present these burdens are cheerfully borne, it is confidently expected that when normal conditions prevail the South African Government will take measures to afford relief. It is usual for the Chairman at this meeting to make a few remarks dealing with the future prospects of the Company, but you will readily realise that it is extremely difficult for me to do so on this occasion. No one has any doubt as to the eventual result of this great War, but it may still last a long time, and during its existence it is impossible to say how our particular industry may be affected. The conquest of German South-West Africa is

reaching completion, and I would take this opportunity, and I am sure the shareholders will join me, in congratulating General Botha and the gallant army under his command on the extremely efficient manner in which this conquest is being achieved. (Applause.) The return of a great many men to civil life is imminent, and this will naturally improve the trading conditions, and I am assured the shareholders that whatever trade there is to be obtained in South Africa, be it large or small, we are in an excellent position to cope with it. (Hear, hear.) I now propose: "That the report and accounts be adopted, and that the payment of a dividend of 2½ per cent. on the Preference shares (making 5 per cent. for the year) and 7½ per cent. on the Ordinary shares (making 12½ per cent. for the year) be approved," and I will ask Mr. Raw to second the proposal. (Applause.)

Mr. George H. Raw seconded the resolution, which was carried unanimously.

#### MOND NICKEL COMPANY, LIMITED.

THE first ordinary general meeting was held on July 8 at the Hotel Windsor, Victoria Street, S.W., the Right Hon. Sir Alfred Mond, Bart., M.P. (the Chairman), presiding.

The Chairman, in moving the adoption of the report and accounts and the declaration of the dividends recommended, first dealt with the balance sheet, stating that the bulk of the capital was in accordance with the reconstruction sanctioned by the shareholders last year. Like most companies of an industrial and progressive character, however, when the War broke out, they found themselves in need of additional capital. They had already formed the intention of issuing fresh capital, but for various technical reasons left it over until the autumn, and the War came in between. He wished here to say how much they were indebted to their bankers—Parsons Bank in London, and the Canadian Bank of Commerce and Sir Edmund Walker, its Chairman, who was a director of this Company—for their liberal assistance during those difficult times. When the board decided to endeavour to raise further capital, experienced financiers were amazed at their temerity, and they were still more surprised at the response which the Company obtained. He had to thank the shareholders who, at a time of great national crisis, came forward and subscribed £180,000 on a Non-cumulative Preference issue. These shareholders had every reason to congratulate themselves, because the shares, ever since they were issued, had stood at a substantial premium. At a later date the board decided to issue £500,000 of 6% Redeemable Debenture stock. This rate of interest might have struck a good many people at the time as being rather high, but subsequent events had proved that the rate of interest was bound to go up, and when they saw the British Government appealing to the public on a basis of 4½ per cent. he did not think this Company was extravagant in asking for money at 6 per cent. The issue was over-subscribed, and these two transactions had placed the Company financially in a very much stronger position than it had occupied for a long time. Referring to the assets, the Chairman stated that the property in Canada, including mines, freehold land, and smelting works, now stood in the books at £1,527,000, which he had no hesitation in saying was an extraordinarily moderate capitalisation for the extremely valuable properties they possessed. In this country their refining works stood in the books at £567,000. Shares in associated and other companies stood at £161,000, showing an increase of over £70,000, the bulk of which was represented by a subsidiary company in Canada formed for the development of their water powers, without which their profits would have been very seriously diminished. The investments were in the nature of Treasury bills and securities of that character. Stocks of stores, &c., on hand were down by £12,000, but the stocks of raw material and intermediate and finished products were very considerably up. Sundry debtors were some £90,000 higher, and cash was £134,000, against £44,000 last year, showing that the Company was financially in a much stronger position than a year ago. The year's profit amounted to £300,296, and with the sum brought forward they had a total of £392,213. The profit showed an increase of £39,000, and as there were some people who had the idea that the War period was a peculiarly remunerative one for manufacturers delivering goods to the Government, he would say here that they had not thought it their duty to take advantage of the necessity of the nation to make extravagant profits out of what they sold to the Government. They had deliberately refrained from putting their prices of nickel to the Government at anything like those which other makers (not in this country) had thought fit to charge. It must be remembered that at such a time the cost of production, freights, insurance, &c., rose very considerably, tending to diminish the profits and to enhance the difficulties of those who were carrying on the industry. He then referred to the loyalty which had been exhibited by the staff, stating that out of 850 employees 248 were serving with the Forces. There was a large amount of talk about bad time being kept by workmen, but this Company had not much to complain of on that score, because the time lost by their men during June was just under 1 per cent. Out of the available balance it was proposed to pay a dividend of

20 per cent. on the Ordinary shares, to place £100,000 to reserve, and to carry forward £54,162, and it was the intention of the directors to invest the reserve in the War Loan. The Company's business was today in an extremely sound condition. The reports of the General Manager from Canada, both as to the development of the mine properties and as to their other operations, were of a highly satisfactory character. They were straining every nerve on this side to complete and increase their refining works so as to turn out more material as quickly as they could.

Mr. Saxton W. A. Noble seconded the motion, which was unanimously adopted.

#### CROMPTON AND COMPANY, LIMITED.

THE second annual general meeting was held on July 7 at Salisbury House, London Wall, E.C.

Mr. C. F. Tufnell, who presided, said he thought the shareholders would all agree with him that the figures the directors were able to lay before them were satisfactory. The outbreak of war in August last naturally had a detrimental effect on the business. A large number of the Company's employees joined the Colours, and the work in hand at that time had to be completed under difficulties in many directions, and at increased cost. The Company had usually a considerable amount of work in hand for Government departments, and, although the value of such work completed and delivered from the outbreak of war to the end of the period under review was not in excess of that turned out during the corresponding period of the previous year, orders for private customers were in many cases delayed or declined so as to permit of their fulfilling the requirements of the Government. He mentioned that because it had been suggested that the increased profits were due to the War, whereas but for the War the results would undoubtedly have been even better than they were. The net profit, after paying all outgoings, was £26,459, as compared with £13,550 18s. 5d. for the previous year, and, with the amount brought forward, they had a total of £28,648 at their disposal. The directors proposed to place £6,500 to the general reserve account, as against £2,500 last year; to place £3,500 to a special depreciation account; to write £1,608 off preliminary expenses; to declare the full 7 per cent. on the Preference shares, absorbing £9,349 (against £4,391 required last year to pay 5 per cent.), while their carry-forward was £7,691 against £2,189. Some of the shareholders might feel a little disappointed that the directors were not recommending a dividend on the Ordinary shares, but their policy of strengthening the Company's position

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would, he was satisfied, receive the shareholders' approval. The events of the past year had more than ever convinced the directors of the necessity of adhering to this conservative policy. After referring to the salient features of the balance sheet and profit and loss account, he stated that so far as the current year was concerned indications were favourable, and, providing nothing unforeseen occurred to interfere with the Company's working, the directors were looking forward to a successful year. They had a very large amount of work in hand for the Government, to whose requirements everything at Chelmsford was subordinated. During the year application was made to the Committee of the Stock Exchange for a quotation in the Company's shares, but the Committee decided to postpone the quotation until the existing Debentures had been called in and new Debentures issued. As the Company had no power to force the Debenture-holders to make the exchange, nothing could be done in the matter at the moment.

The report was unanimously adopted.

#### HOWARD AND BULLOUGH, LIMITED.

THE twenty-first annual ordinary general meeting of the shareholders of Howard & Bullough, Limited, was held at Globe Works, Accrington, on July 7. The Chairman of the Company, Mr. Alfred Hitchon, occupied the chair.

In moving the adoption of the reports and accounts the Chairman said: At our last meeting, July 8, 1914, I announced the inevitable closing down of the works on that day, resulting from the action of a certain section of our workmen who had struck work during the preceding week. This strike lasted sixteen weeks, leaving some eight months of actual working over the year. When work was resumed towards the end of last October the war had been in progress some time. Despite the consequent disorganisation of trade, we were able to provide employment for our work-people, whose number had meanwhile been depleted by enlistments in the Army and by enrolment in munition shops. For some months past we have given a helping hand in the manufacture of war munitions, in response to the Government Committee's appeal, and now a considerable portion of our plant is engaged upon that class of work. Altogether, we are dealing with a most abnormal period, and it would be idle to attempt comparisons with former years. Our export trade has necessarily been restricted to a large extent, and the home trade has also been affected. Wages form a constantly increasing factor in the cost of production, and the prices of raw materials keep advancing. Economical working is therefore greatly hampered by so many disturbing elements. In these circumstances it may be deemed satisfactory that the balance has resulted in a moderate profit from trading. To cover for the payment of a dividend of 10 per cent. per annum on the Ordinary shares the directors propose to draw upon the dividend reserve, which will then stand at £95,000, and to carry forward £37,766 to next year's account.

It will be seen from the balance sheet that the sum of one thousand guineas was subscribed to H.R.H. the Prince of Wales' National Relief Fund, and the sum of 2,500 francs to the Belgian National Relief Fund. I trust these contributions will have your approval.

I move that the reports of the directors and auditors as presented in the balance sheet be allowed and passed.

Mr. Wallace Broadbent seconded, and the resolution was carried.

Mr. William Ashworth moved that a dividend be paid for the half-year ending May 1, 1915, at the rate of 6 per cent. per annum, less income tax, on the Preference shares, and a fourth quarterly dividend of 2½ per cent., less income tax, on the Ordinary shares, making, with the interim dividends already paid, 10 per cent. for the year on the Ordinary shares.

Mr. James Bullough seconded, and the resolution was carried.

#### GENERAL ELECTRIC COMPANY, LIMITED.

THE ordinary general meeting was held on July 9 at the Cannon Street Hotel, E.C.

Mr. H. Hirst (Chairman and Managing Director) presided, and, in moving the adoption of the report, said that he prefaced his last year's address with the following statement: "Our proposals should prove to you that we realise that this present state of affairs cannot continue for ever, and we are making every possible preparation to face cheerfully and successfully more difficult times whenever they fall on the country generally, or on us in particular." He little realised then that within a very few weeks of that statement they would be put to the test. The balance sheet before them proved that they had acted up to their intentions. Early in September they suffered severely by well-meant but ill-conceived Press attacks on the Osram Lamp Works, Limited, with which they were so intimately associated, owing to the prevalence in that Company of German capital. It was exceedingly gratifying to them to announce that a way had been found, with the knowledge of the Treasury and the Public Trustee, which would give the future control of those works, he trusted for ever, into British hands. A great many of their employees enlisted on the declaration of

war, and about 1,000 were now serving with His Majesty's Forces. It was not until the end of October that they realised what great quantities of their normal productions were required for war purposes. Direct orders from Government Departments and indirect war orders from Government contractors amounted to the end of March to fully half a million sterling. A number of their productions could be supplied only by their Company—items which were of the most momentous importance both to the Admiralty and to the War Office. They had in addition lately started the manufacture of certain types of shells, and arrangements were in progress to make themselves thoroughly efficient in this department. He sincerely hoped that the Ministry of Munitions would give them an opportunity of learning from time to time what further help the Company could give, and he was sure it was desired by the shareholders that they should give those requirements their foremost thought, regardless of profits. The Company was fortunately in so strong a position that should there be in the immediate future, owing to exceptional circumstances, a reduction of profits, they would quickly be able to make good, after victory had been achieved, when those markets which were now being starved called for replenishments from British works. The state of their finances had enabled them to invest £100,000 in the first War Loan, and shareholders might be interested to learn that they had since converted this into new War Loan, and had, in addition, applied for a further £100,000 of the latter, making up their total holding to £200,000. (Loud applause.)

The report and accounts were unanimously adopted.

#### RAND GOLD OUTPUT.

(Continued from page 53.)

**Crown Mines.**—Capital £1,000,000. in 2,000,000 shares of 10s. each; issued, 1,880,212. £914,950 Five per Cent. Debentures. Milling capacity about 232,000 tons per month. 1913 figures and since include accumulated slimes.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	Amt. Per ton end of Period
1914 ...	660	2,286,875	10½	2,976,989 26/1	1,783,477 15/7	1,193,512 10/6 —
1915.						
Mar. q.	660	598,000	10½	750,121 25/1	475,527 15/11	274,594 9/2 4½
Apr. ...	660	294,000	10½	265,994 26/0	157,976 15/5	108,018 10/7 4½
May ...	—	220,000	—	285,752 25/11	168,078 15/3	117,674 10/8 4½
June ...	—	214,000	—	273,713 25/7	164,906 15/5	108,807 10/2 4½

\* Poor results due entirely to disappointing yield, which continues considerably below what is indicated by ore reserves values. "The cause of this difference is being carefully investigated."

Dividends—1914, June, 55; Dec., 30 per cent.  
1915, June, 35 per cent.

**East Rand Proprietary Mines.**—Capital issued, £2,445,897, in £1 shares; £1,260,000 Convertible Five per Cent. Debentures in issue. Twenty-five tube mills.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	Amt. Per ton end of Period
1914 ...	820	1,831,950	—	2,579,172 28/0	1,785,208 19/6	793,964 8/6 —
1915.						
Mar. q.	820	418,200	10	586,089 28/0	424,453 20/3	161,636 7/9 1½
Apr. ...	820	153,600	10	212,958 27/8	151,108 19/8	61,850 8/0 1½
May ...	820	170,000	—	216,727 25/5	156,707 18/5	60,020 7/0 1½
June ...	820	160,500	—	206,133 25/8	154,113 19/2	52,020 6/6 1½

Accumulated slimes profits included throughout.

Dividends—1914, June, 7½; Dec., 10 per cent.  
1915, June, 6½ per cent.

**Geduld Proprietary.**—The capital authorised is £1,000,000; issued, £922,500, in £1 shares. Plant has been enlarged to 60 stamps and five tubes, having a capacity of 24,000 tons a month. There is the probability of early increase of plant to 35,000 tons a month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	Amt. Per ton end of Period
1914 ...	53½ av.	244,585	10½	395,457 32/4	299,489 24/5	95,968 7/4 —
1915.						
Mar. q.	60	71,330	9½	113,683 31/10	78,412 21/11	35,271 9/11 24/0
Apr. ...	60	24,053	3	37,488 31/2	25,746 21/5	11,742 9/9 27/0
May ...	—	25,500	—	39,112 30/8	27,446 21/6	11,665 9/2 31/6
June ...	—	25,210	—	37,113 29/5	25,333 20/1	11,780 9/4 28/9

Gold reserve: 4,431 oz. June.

Monthly and quarterly profits include sundry revenue.

The sorting in this mine is both on surface and underground; very slight on surface.

Dividends—1914, Dec., 5 pe cent.  
1915, June, 5 pe cent.

**Geldenhuis Deep.**—Capital, £600,000; issued, 585,753 £1 shares. 300 stamps, 7 tube mills. Capacity, 720,000 tons a year.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ... 300	570,600	104	781,568	27/5	602,471	22/10	130,019 4 7
1915.							
Mar. qr. 300	151,700	12	192,858	25/7	164,608	21/10	28,250 3 9 14
Apr. ... 300	49,400	12	65,459	26/6	59,748	22/11	5,711 3 7 14
May ... —	50,000	—	68,948	26/6	56,393	21/6	10,455 3 11 14
June ... —	50,000	—	64,246	25/7	54,141	21/7	10,105 4/0 14

1915 returns and since include yield from accumulated slimes.

Dividends—1914, June, 8½; Dec., 10 per cent.

1915, June, 10 per cent.

**Goch.**—£550,000, in £1 shares. All outstanding Debentures to be paid off July 1, 1915. 120 stamps; four tube mills. Sundry revenue, about £2,000 a year, included.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ... 300	560,000	10	361,113	21/2	258,983	14/5	122,160 6 9 —
1915.							
Mar. qr. 300	90,500	10½	81,999	18/1	62,431	13/10	22,528 4 11 13/0
Apr. ... 300	30,000	10½	29,638	19/3	20,576	13/8	9,079 6 1 14/6
May ... 31,100	—	—	30,075	19/4	21,351	13/9	8,724 5/7 15/0
June ... 30,350	—	—	29,145	18/8	21,352	14/0	7,123 4 8 15/9

Dividends—1911, June, 7½; Dec., 5 per cent.; 1915, June, 5.

**Government Areas.**—Capital £1,400,000, in £1 shares. At December 31, 1914, floating debt about £240,000. 100 stamps, 10 tube mills. Plant ordered to be doubled. The returns include sundry revenue.

Year ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914.							
Oct. 16 to Dec. 31 ... 90	97,700	13½	80,965	16/6	105,433	21/6	23,465* 5/0 —
1915.							
Mar. qr. 98½	140,400	14	145,132	27/8	122,691	17/6	22,441 3/2 21/6
Apr. ... 100	46,200	14½	54,825	28/7	43,539	19/0	11,286 4 7 14
May ... —	49,300	—	58,307	23/1	43,670	17/11	13,337 5 2 1½
June ... —	46,500	—	59,733	25/8	—	19/6	14,727 6/2 1½

\* Loss.

**Kleinfontein.**—Capital issued, £1,151,540, in £1 shares; £175,000 6% Debentures. 220 stamps. Four tubes. Plant capacity now over 600,000 tons a year.

Yr. ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ... 200	601,000	19	791,722	26/4	528,452	17/7	263,270 8/9 —
1915.							
Mar. qr. 200	155,050	17	200,137	25/9	132,453	17/1	67,679 8/8 24/6
April ... 200	50,500	15½	66,500	26/4	44,162	17/6	22,338 8/10 26/6
May ... 200	53,500	—	63,551	25/8	45,614	17/1	23,037 3/7 25/0
June ... 200	52,800	—	68,229	25/10	46,126	17/6	22,103 8/4 22/9

\* Not including considerable expenditures in connection with the Apex and Benoni sections.

Dividends—1914, June, 5; Dec., 5 per cent.

1915, June, 5 per cent.

**Modder Deep.**—Capital £500,000, in £1 shares. Sixty-stamp mill—six tubes—started December 14, 1914. Capacity about 30,000 tons monthly.

Year ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1915.							
Mar. qr. 60	86,050	8	125,769	29/3	79,191	18/5	46,578 10/10 3½
Apr. ... 60	30,500	8	51,756	33/11	24,785	16/3	26,971 17/8 3½
May ... —	32,300	—	59,901	35/3	27,687	17/2	29,214 18/1 4½
June ... —	34,200	—	58,959	34/3	28,347	16/6	30,242 17/9 4½
June 1/2 yr. —	183,050	—	293,015	32/0	160,010	17/6	133,005 14/6 —

Dividends—1915, June, 10 per cent.

**Modderfontein.**—Capital, £1,400,000, in £4 shares. Six tube mills in use. Present capacity of plant, 52,500 tons per month. Additional plant of capacity of 40,000 tons monthly arranged for.

Year to June 30	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913-14	180	510,350	4½	990,352	38/9	437,663	17/1 552,689 21/8 13½
1914-15.							
Sept. qr. 180	156,500	15½	282,809	36/1	116,370	14/10	166,439 21/3 —
Dec. qr. 180	150,400	17	283,349	38/1	117,643	15/8	165,706 22/5 —
Mar. qr. 180	149,100	17½	288,546	38/8	122,852	16/6	165,694 22/2 13½
Apr. ... 180	52,000	18	98,686	37/11	42,177	16/2	56,479 21/9 14½
May ... —	52,500	—	103,617	39/5	42,446	16/2	61,171 23/3 14½
June ... —	51,000	—	109,715	43/0	44,768	17/8	64,947 25/4 14½
12 mos. —	611,500	—	1,169,692	38/3	485,256	15/11	683,436 22/4 14½

Returns include profit from accumulated slimes.

Dividends—1914, June, 15; Dec., 15 per cent.

1915, June, 16½ per cent.

**Modderfontein B.**—Issued capital £700,000, in £1 shares. Plant capacity increased August 1914 to about 40,000 tons a month.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ... 88½	440,000	10	790,132	35/11	342,328	15/7	447,804 20/3 —
1915.							
Mar. qr. 96	120,700	12	231,021	38/3	93,922	15/7	137,099 22/8 4½
Apr. ... 96	41,200	10½	77,500	37/10	32,133	15/7	45,366 22/5 3½
May ... —	42,400	—	85,000	40/6	34,805	16/6	50,194 24/0 5
June ... —	40,000	—	78,901	39/3	33,040	16/6	45,861 22/9 5

Dividends—1914, June, 25; Dec., 30 per cent.

1915, June, 32½ per cent.

**Rose Deep.**—Capital, £700,000, in £1 shares, all issued. Seven tube mills.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ... 300	735,122	—	895,976	24/4	610,562	16/7	285,414 7/9 —
1915.							
Mar. qr. 300	179,300	12½	221,848	24/9	154,870	17/3	66,978 7/6 12½
Apr. ... 300	63,200	13½	75,400	24/9	53,716	17/0	21,682 7/8 14½
May ... —	64,200	—	80,123	24/7	57,900	18/9	27,163 7/10 1½
June ... —	66,000	—	81,154	24/7	54,556	16/6	26,628 8/1 1½

Dividends—1914, June, 20; Dec., 15 per cent.

1915, June, 17½ per cent.

**Transvaal G. M. Estates.**—£604,225 in £1 shares; £77,992 of 5% Debentures. Three tube mills.

Year ends Mar. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913-14 ... 75	166,410	—	474,949	57/1	189,693	22/10	285,256 34/3 2½
1914-15 ... 75	161,910	—	408,497	58/5	184,751	22/9	223,746 27/8 1½
1915-16.							
Apr. ... 75	11,500	—	—	—	—	13,582	25/2 1½
May ... —	12,540	—	26,301	41/11	15,484	24/8	10,817 17/3 1½
June ... —	12,465	—	31,025	39/0	15,103	24/4	15,923 25/8 1½

Dividends—1914, March, 17½; Sept., 17½ per cent.

1915, March, 12½ per cent.

**Van Ryn.**—£500,000, in £1 shares. Batteries, 180 stamps. Six tube mills.

Year to June 30	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913-14	138av.	439,900	8½	590,129	26/10	351,143	16/0 238,986 10/10 3½
1914-15.							
Sept. qr. 140	115,500	8	149,353	25/10	82,984	14/3	66,374 11/6 —
Dec. qr. 140	116,900	7	147,203	25/2	82,572	14/1	64,631 11/1 —
Mar. qr. 140	114,720	8½	144,259	25/1	81,947	14/9	59,312 10/4 2½
Apr. ... 140	38,300	7	46,995	24/6	27,516	14/4	19,479 10/2 3½
May ... 140	39,800	—	47,128	23/8	28,035	14/1	19,093 9/7 3
June ... 140	37,650	—	46,071	24/5	24,591	14/1	19,480 13/4 3½
12 mos. 140	462,920	—	591,014	25/1	332,645	14/4	248,369 10/9 3

Dividends—1914, June, 22½; Dec., 22½ per cent.

1915, June, 22½ per cent.

**Van Ryn Deep.**—Capital, £1,196,892, in £1 shares. 80 stamps, 8 tube mills, started July 14, 1913.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ... 77½	483,090	11½	805,948	33/4	394,912	16/4	411,036 17/0 —
1915.							
Mar. qr. 80	136,530	13½	234,938	37/2	103,193	16/3	131,745 20/11 2½
Apr. ... 80	41,010	12½	78,044	38/1	35,013	17/5	43,031 20/8 2½
May ... —	42,440	—	77,396	36/6	34,826	16/9	42,570 19/9 2½
June ... —	42,650	—	79,236	37/2	34,856	16/8	44,380 20/5 2½

Dividends—1914, June, 12½; Dec., 12½ per cent.

1915, June, 15 per cent.

**Witwatersrand (Knight's).**—£469,625, in £1 shares. Sundry revenue, say £2,000 a month, included only in monthly profits below. Mill 225 stamps; five tubes added October 1913; total capacity about 45,000 tons per month.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ... 211½av.	503,150	14	607,225	24/1	323,212	12/10	284,013 11/3 —
1915.							
Mar. qr. 210	121,550	19½	162,028	26/8	86,625	14/3	75,403 12/5 2½
Apr. ... 210	40,110	16½	53,517	25/8	27,793	14/9	25,724 11/11 3½
May ... —	43,800	—	53,025	24/2	27,942	13/7	25,083 10/7 3½
June ... —	43,100	—	53,038	24/7	28,645	14/1	24,392 10/6 3½

Dividends—1914, June, 25; Dec., 25 per cent.

1915, June, 25 per cent.

**PALATINE BANK, MANCHESTER.**—Interim dividend for the half-year ended June of 2s. per share, less income tax. The rate is the same as it was a year ago.

**SHEFFIELD BANKING COMPANY.**—Interim dividend for the past half-year at the rate of 14 per cent. per annum, less tax. A year ago the dividend was at the same rate.

**LONDON JOINT STOCK BANK.**—Interim dividend for the half-year ended June 30 last, at the rate of 10 per cent. per annum, equal to 15s. per share, less tax.

## MISCELLANEOUS.

**BANK OF LIVERPOOL.**—Half-yearly dividend of 4s. per share, subject to deduction of income tax, making for the year a total distribution of 15 per cent. (same as last year). An amount of £5,000 has been transferred from profits and £55,000 from reserve fund to investment reserve account, leaving balance of reserve fund at £900,000, and a sum of £75,409 has been carried forward.

**BANK OF MADRAS.**—Dividend of 10 per cent. and a bonus of 2 per cent. The sum of Rs. 4,35,419 has been carried forward.

**BARCLAY AND COMPANY.**—Final dividend for the year ended June 30 last of 4s. per share on the "A" shares and 7s. per share on the "B" shares, making, with the interim dividend paid in February last, 10 per cent. on the "A" shares and 17½ per cent. on the "B" shares, subject to income tax. The dividend a year ago on the "B" shares was at the rate of 17½ per cent. per annum, with a bonus, making together 18½ per cent. per annum.

**BRITISH LAW FIRE INSURANCE.** Interim dividend of 1s. per share, less tax.

**BRADFORD DISTRICT BANK.**—Interim dividend of 5s. 6d. per share, being at the rate of 13½ per cent. per annum, subject to income tax, for the half-year ended June 30, 1915.

**CALEDONIAN AND AUSTRALIAN MORTGAGE AND AGENCY Co.**—At an extraordinary general meeting of this Company to be held on July 20, the following resolution will be submitted for confirmation as a special resolution, *videlicet*: "That the capital of the Company be reduced from £105,000, divided into 60,000 Ordinary shares of £1 15s. each, to £60,000, divided into 60,000 Ordinary shares of £1 each, and that such reduction be effected by returning to the holders of the 55,684 shares which have been issued paid-up capital to the extent of 15s. per share, and by reducing the nominal amount of all the Ordinary shares issued and unissued from £1 15s. to £1 per share."

**EQUITABLE BANK.**—Interim dividend at the rate of 11½ per cent. per annum, less income-tax, as compared with 10 per cent. per annum, free of tax, a year ago.

**HOLLINS (WILLIAM) AND COMPANY.**—Usual interim dividend of 6d. per share, 2½ per cent. actual, on Ordinary.

**LANCASHIRE AND YORKSHIRE BANK, LTD.**—Interim dividend for the past half-year of 16s. per share, less tax.



D A 1

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**LLOYDS BANK**—Interim dividend for the half-year ended June 30 last of 14s. 6d. per share, being at the rate of 18½ per cent. per annum, less tax. The dividend for the corresponding period of the previous year was at the same rate, also less tax.

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OFFER by AUCTION at the WOOL EXCHANGE, Coleman Street, E.C., on Thursday, 1st, Friday, 9th, Saturday, 17th, Friday, 23rd, and Thursday, 29th July,

WOOL—21,000 BALES COLONIAL.

Catalogues and further particulars of the Brokers, Moorgate House, 61 Moorgate Street, E.C.

### BANCO DE CHILE.

London Agency—

94 GRACECHURCH STREET, E.C.

Paid-up Capital	Chilian Dollars.
Reserve Fund	\$40,000,000
Reserve Liability of Shareholders	22,000,000
	40,000,000

Head Offices: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

### CREDITO ITALIANO.

Capital fully paid and Reserve ... £3,460,000

Head Office: MILAN.

The Bank has Branches at Genoa, Rome, Turin, Naples, Florence, Catania, Bari, and numerous other important towns in Italy.

LONDON BRANCH:

22 ABCHURCH LANE, E.C.

Managers: I. GEORGE MANZI-FE.

DAVID A. HORNER.

Transacts a general Foreign Banking Business, having Correspondents in all European Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italcrodi," Cable, London.

Telephones: 7802, 7803 City.

### NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... £750,000

Subscribed and Paid-up Capital ... £240,000

Head Office ... AMSTERDAM.

London Agency ... 2 GT. WINCHESTER ST., E.C.

London Manager J. COST BUDDE.

All descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital ... Yen 48,000,000

Capital Paid up ... " 30,000,000

Reserve Fund ... " 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien	Kobe	New York
Bombay	Liao Yang	Osaka   Peking
Calcutta	London	Ryoun   Port
Changchun	Los Angeles	Arthur
Dairen (Dalny)	Lyons	San Francisco
Hankow	Fengtien	Shanghai
Harbin	(Mukden)	Tientsin
Hong Kong	Nagasaki	Tientsin   Tokio
Honolulu	Newchwang	Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be ascertained on application.

K. TATSUMI, Manager.

London Office—  
7 Bishopsgate, E.C.

### THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... £3,703,704

RESERVE FUND ... £1,033,410

Petrograd. Moscow. Paris.

And over 100 Branches in Russia.

London Offices:

24 28 LOMBARD STREET, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Current Accounts opened and deposits received on terms which may be ascertained on application.

### COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout

Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia.

Special facilities for the remittance of Settlers' funds.

London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

### STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... £6,194,100

PAID-UP CAPITAL ... £1,548,525

RESERVE FUND ... 2,000,000

UNCALLED CAPITAL ... 4,645,575

£8,194,100

#### BOARD OF DIRECTORS—

W. R. Arbuthnot, Esq.  
Sir David Miller Barbour, K.C.S.I., K.C.M.G.  
Robert E. Dickinson, Esq.  
James Fairbairn Finlay, Esq., C.S.I.  
Horace Peel, Esq.  
William Smart, Esq.  
Right Hon. Lord Sydenham, G.C.S.I., G.C.M.G., G.C.I.E.  
Rt. Hon. Lord Welby, P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE,

LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 200 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

### BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

City Office: 1 Old Broad St., E.C.

West-End Agency: 12 Waterloo Place, Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Consolo.

Sub-Managers (A. Rossi.

R. B. Handley.

G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANÇAISE

et ITALIENNE POUR L'AMERIQUE DU SUD.

Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and

SOCIETÀ COMMERCIALE D'ORIENTE,

Milan and Tripoli.

Agents and Correspondents in all parts of the world.

### BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund ... £P.300,000

#### BRANCHES IN:

Piura,	Callao,	Mollendo,
Chiclayo,	Cerro de Pasco,	Arequipa,
Pacasmayo,	Chincha Alta,	Cuzco,
Trujillo,	Ica,	Iquitos,
Huancayo,	Huancayo,	Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

### LONDON BANK of AUSTRALIA LIMITED

71 Old Broad Street, E.C.

Subscribed Capital ... £1,276,747 10 0

Paid-up Capital ... 669,587 10 0

Reserve Fund and Undivided Profits ... 328,137 13 0

Reserve Liability of Proprietors 607,160 0 0

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

### HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... \$15,000,000

RESERVE FUNDS.

STERLING RESERVE, held in London at Exchange of 2s. per \$

= £1,500,000 Sterling, invested in Consols

and other Sterling Securities ... \$15,000,000

SILVER RESERVE ... 18,000,000

\$33,000,000

RESERVE LIABILITY OF PROPRIETORS ... \$15,000,000

COURT OF DIRECTORS and HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.

Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, Managers

H. D. C. JONES, in London.

JOHN MACLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

## AMALGAMATED COPPER COMPANY.

42 Broadway, New York, July 14th, 1915.  
TO THE SHAREHOLDERS OF THE AMALGAMATED COPPER COMPANY.

The Statutory proceedings for the dissolution of your Company have been completed, and the distribution of the assets can now be made on the basis stated in the circular letter issued to you on May 6th, 1915, by the terms of which each Holder of one Share of Stock of the Amalgamated Copper Company will receive one Share of the new issue of Stock of the Anaconda Copper Mining Company of the par value of \$50 per Share and a cash distribution. In order to make this distribution the Transfer Books of the Company in New York will be finally Closed on July 31st, 1915, at 12 o'clock noon, and commencing August 30th, 1915, at 10 o'clock A.M., the Stockholders upon surrendering their certificates of stock, duly transferred in blank, at the Office of the Company, 42 Broadway, New York City, U.S.A., or at the Office of C. S. Henry and Company, Limited, 12 Leadenhall Street, London, England, will be entitled to receive the cash and certificates for Anaconda Stock that may be distributable to them.

Signature of Stockholders to the assignment and transfer on the backs of their certificates should be guaranteed by a Stock Exchange firm, or be identified by the official signature of an officer of a bank, or of a notary public under seal. Anaconda Stock and cheques for the cash distribution will be issued only to the Stockholders of record at the close of business on July 31st, 1915.

By Order of the Board of Directors,  
A. H. MELIN.

Secretary.

N.B.—With reference to the above announcement, at the request of the Amalgamated Copper Company, Messrs. C. S. Henry and Company, Limited, 12 Leadenhall Street, London, E.C., will receive Certificates for the purpose of forwarding the same to New York for exchange.

Holders who desire to have Shares transferred into other names must fill in on the endorsement on the back of the Certificate the name into which the transfer is desired to be made, with full postal address.

## ANACONDA COPPER MINING COMPANY.

EXCHANGE OF EXISTING SHARES OF THE PAR VALUE OF \$25 INTO NEW SHARES OF THE PAR VALUE OF \$50.

Holders are informed that at the request of the Company Messrs. C. S. Henry and Company, Limited, of 12 Leadenhall Street, London, E.C., will receive Certificates for the purpose of forwarding the same to New York for exchange.

Holders who desire to have Shares transferred into other names must fill in on the endorsement on the back of the Certificate the name into which the transfer is desired to be made, with full postal address.

Due notice will be given when the new Certificates, which will be Registered Certificates, are ready for delivery.

## ENGLISH SEWING COTTON COMPANY, LIMITED, MANCHESTER.

NOTICE IS HEREBY GIVEN that the Transfer Books for the Ordinary and Preference Shares of the above Company will be Closed from July 24th to August 7th, inclusive, for the preparation of Dividend Warrants.

C. E. BARLOW,  
16th July, 1915. Secretary.

## NORFOLK AND WESTERN RAILWAY COMPANY.

The Board of Directors has declared a Quarterly Dividend of One per cent. upon the Adjustment Preferred Stock of the Company, payable at the Office of the Company, Commercial Trust Buildings, Philadelphia, Pa., on and after August 19, 1915, to the Adjustment Preferred Stockholders as registered at the close of business July 31, 1915.

E. H. ALDEN, Secretary.

## THE "BODEGA" COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that the Ordinary Share and the Five per Cent. Cumulative Preference Share Transfer Books of the above Company will be Closed from the 16th to the 29th July inst., both days inclusive.

By Order of the Board,

D. H. BEARDON,  
Secretary.

Registered Offices:  
42 Glasshouse Street,  
Regent Street, London, W.,  
July 14th, 1915.

## CITY OF TOKYO FIVE PER CENT STERLING LOAN OF 1906 FOR £1,500,000.

NOTICE IS HEREBY GIVEN that the Coupon due 1st August, 1915, will be paid on and after the 3rd August (Saturdays excepted), between the hours of 11 and 3, by the Yokohama Specie Bank, Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

For the Yokohama Specie Bank, Limited,  
K. TATSUMI, Manager  
7 Bishopsgate, E.C.,  
17th July, 1915.

## THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

New York, June 29, 1915.

The Board of Directors has declared a dividend (being dividend No. 41) on the COMMON STOCK of this Company of ONE DOLLAR AND FIFTY CENTS (\$1.50) per share, payable September 1, 1915, out of surplus net income, to holders of said COMMON STOCK registered on the books of the Company at the close of business on July 30, 1915.

Dividend cheques will be mailed to holders of COMMON STOCK who file suitable order therefor at this office.

C. K. COOPER,  
Assistant Treasurer.  
5 Nassau Street, New York City.

## GELDENHUIS DEEP, LTD.

(Incorporated in the Transvaal.)  
DIVIDEND No. 31.

HOLDERS OF SHARE WARRANTS TO BEARER are informed that they will receive payment, on or after Wednesday, 4th August, 1915, of Dividend No. 31 (10%, i.e. 2s. per share), after surrender of Coupon No. 31, at the London Office of the Company, No. 1 London Wall Buildings, E.C., or to the Crédit Mobilier Français, 30 and 32 Rue Taibout, Paris.

Coupons belonging to holders resident in the United Kingdom will be subject to deduction of English income tax at the rate of 2s. 6d. in the pound.

All Coupons presented at the Crédit Mobilier Français, Paris, as well as any presented at the London Office for account of holders resident in France, will be subject to a deduction of 1s. 2d. in the pound on account of French transfer duty and French income tax.

Coupons must be left four clear days for examination, at either of the Offices mentioned above, and may be lodged any day (Saturdays excepted) between the hours of 11 and 2.

Listing forms may be had on application.

By Order of the Board,

A. MOIR,  
London Secretary.

London Office—  
No. 1 London Wall Buildings, E.C.,  
15th July, 1915.

## MODDERFONTEIN B. GOLD MINES, LIMITED.

(Incorporated in the Transvaal.)  
DIVIDEND No. 6.

HOLDERS OF SHARE WARRANTS TO BEARER are informed that they will receive payment, on or after Wednesday, 4th August, 1915, of Dividend No. 6 (32%, i.e. 6s. 6d. per share), after surrender of Coupon No. 6, at the London Office of the Company, No. 1 London Wall Buildings, E.C., or to the Crédit Mobilier Français, 30 and 32 Rue Taibout, Paris.

Coupons belonging to holders resident in the United Kingdom will be subject to deduction of English income tax at the rate of 2s. 6d. in the pound.

All Coupons presented at the Crédit Mobilier Français, Paris, as well as any presented at the London Office for account of holders resident in France, will be subject to a deduction of 1s. 3d. in the pound on account of French transfer duty and French income tax.

Coupons must be left four clear days for examination, at either of the Offices mentioned above, and may be lodged any day (Saturdays excepted) between the hours of 11 and 2.

Listing forms may be had on application.

By Order of the Board,

A. MOIR,  
London Secretary.

London Office—  
No. 1 London Wall Buildings, E.C.,  
15th July, 1915.

## DURBAN ROODEPOORT DEEP, LIMITED.

(Incorporated in the Transvaal.)

DIVIDEND No. 11.

HOLDERS OF SHARE WARRANTS TO BEARER are informed that they will receive payment, on or after Wednesday, 4th August, 1915, of Dividend No. 11 (33 per cent., i.e. 9d. per share), after surrender of Coupon No. 11, at the London Office of the Company, No. 1 London Wall Buildings, E.C.

Coupons belonging to holders resident in the United Kingdom will be subject to deduction of English income tax at the rate of 2s. 6d. in the pound.

Coupons must be left four clear days for examination, and may be lodged any day (Saturdays excepted) between the hours of 11 and 2.

Listing Forms may be had on application.

By Order of the Board,

A. MOIR,  
London Secretary.

London Office—  
No. 1 London Wall Buildings, E.C.,  
15th July, 1915.

## VAN RYN GOLD MINES ESTATE, LIMITED.

Warrants in respect of Dividend No. 23, of 12½ per cent. (4s. 6d. per share), payable to Shareholders registered on the 30th ultimo, and being the final Dividend for the financial year 1915, were posted on the 15th instant.

Coupon No. 23 detached from Share Warrants to Bearer will now be received for payment at the Registered Offices of the Company, 63-64 Winchester House, Old Broad Street, London, E.C.,  
16th July, 1915.

## THE STOCK EXCHANGE.

NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,  
Secretary to the Committee of the Stock Exchange.

Committee Room, Stock Exchange, London, E.O.

## CITY DEEP, LIMITED.

(Incorporated in the Transvaal.)

DIVIDEND No. 6.

HOLDERS OF SHARE WARRANTS TO BEARER are informed that they will receive payment, on or after Wednesday, 4th August, 1915, of Dividend No. 6 (17½%, i.e. 2s. 9d. per share), after surrender of Coupon No. 6, at the London Office of the Company, No. 1 London Wall Buildings, E.C., or to the Crédit Mobilier Français, 30 and 32 Rue Taibout, Paris.

Coupons belonging to holders resident in the United Kingdom will be subject to deduction of English income tax at the rate of 2s. 6d. in the pound.

All Coupons presented at the Crédit Mobilier Français, Paris, as well as any presented at the London Office for account of holders resident in France, will be subject to a deduction of 1s. 6d. in the pound on account of French transfer duty and French income tax.

Coupons must be left four clear days for examination, at either of the Offices mentioned above, and may be lodged any day (Saturdays excepted) between the hours of 11 and 2.

Listing forms may be had on application.

By Order of the Board,

A. MOIR,  
London Secretary.

London Office—  
No. 1 London Wall Buildings, E.C.,  
15th July, 1915.

## ROSE DEEP, LIMITED.

(Incorporated in the Transvaal.)

DIVIDEND No. 28.

HOLDERS OF SHARE WARRANTS TO BEARER are informed that they will receive payment, on or after Wednesday, 4th August, 1915, of Dividend No. 28 (17½%, i.e. 3s. 6d. per share), after surrender of Coupon No. 28, at the London Office of the Company, No. 1 London Wall Buildings, E.C., or to the Crédit Mobilier Français, 30 and 32 Rue Taibout, Paris.

Coupons belonging to holders resident in the United Kingdom will be subject to deduction of English income tax at the rate of 2s. 6d. in the pound.

All Coupons presented at the Crédit Mobilier Français, Paris, as well as any presented at the London Office for account of holders resident in France, will be subject to a deduction of 1s. 3d. in the pound on account of French transfer duty and French income tax.

Coupons must be left four clear days for examination, at either of the Offices mentioned above, and may be lodged any day (Saturdays excepted) between the hours of 11 and 2.

Listing forms may be had on application.

By Order of the Board,

A. MOIR,  
London Secretary.

London Office—  
No. 1 London Wall Buildings, E.C.,  
15th July, 1915.

## CROWN MINES, LIMITED

(Incorporated in the Transvaal.)

DIVIDEND No. 28.

HOLDERS OF SHARE WARRANTS TO BEARER are informed that they will receive payment, on or after Wednesday, 4th August, 1915, of Dividend No. 28 (17½%, i.e. 3s. 6d. per share), after surrender of Coupon No. 28 at the London Office of the Company, No. 1 London Wall Buildings, E.C., or to the Crédit Mobilier Français, 30 and 32 Rue Taibout, Paris.

Coupons belonging to holders resident in the United Kingdom will be subject to deduction of English income tax at the rate of 2s. 6d. in the pound.

All Coupons presented at the Crédit Mobilier Français, Paris, as well as any presented at the London Office for account of holders resident in France, will be subject to a deduction of 1s. 11d. in the pound on account of French transfer duty and French income tax.

Coupons must be left four clear days for examination, at either of the Offices mentioned above, and may be lodged any day (Saturdays excepted) between the hours of 11 and 2.

Listing forms may be had on application.

By Order of the Board,

A. MOIR,  
London Secretary.

London Office—  
No. 1 London Wall Buildings, E.C.,  
15th July, 1915.

## PROVIDENT CLERKS' AND GENERAL GUARANTEE AND ACCIDENT CO.

Head Office - 61 Coleman Street, London, E.C.  
West End Office, 199 Piccadilly, W.  
Established 1865.

GUARANTEES FOR FIDELITY.  
The Company issues policies for TRUSTEES in BANKRUPTCY, RECEIVERS and LIQUIDATORS in CHANCERY, and for the GOVERNMENT or Companies and Associations. The security is regulated. ACCIDENT INSURANCE in every kind. LANDLORD AND TENANT, FIRE, BURGLARY, MOTOR CAR, DRIVERS' INSURANCE, SINGING, LEASE GLASS.  
Telephone: LONDON WALL 1000. C. A. FREEMAN, Secretary.

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FUNDS exceed ... £240,000.

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READY SHORTLY.

**VOLUME LXXXIV.**

(APRIL-JUNE, 1915)

OF

# THE STATIST

(FULLY INDEXED.)

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## IMPORTANT NOTICE.

All Editorial communications should be addressed to the Editor.  
Business communications should be addressed to the Manager,

THE STATIST,  
51 Cannon Street, London, E.C.

## THE BRITISH GENERAL

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GUARANTEED BONUS'S.

GUARANTEED OPTIONS.

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Head Office: EDINBURGH: 3 George Street.

London: 83 King William Street, E.C.

and 3 Pall Mall East, S.W. Dublin: 59 Dawson Street.

# The Statist.

LONDON, SATURDAY, JULY 17, 1915.

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## The Money Market.

Friday Evening, July 16, 1915.

### Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	BANKS. NOTICE.	DEPOSIT RATES.	
			DISCOUNT CALL.	HOUSES NOTICE.
April 8, 1915 ...	—	—	2	2
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

### Treasury Bills:—

	3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price...	£99 6s. 1½d.	£98 3s. 5½d.	£97 3s. 6d.	£96 5s. 0d.
Discount Rate	2½%	3%	3½%	3½%

**Discount Rates:—**

		60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills	...	4½	5	5	5
Trade Bills	---	---	5½	5½	5½-6

**FIVE PER CENT. EFFECTIVE.**

RATES of discount have now hardened close up to the Bank's minimum of 5 per cent. for three, four, and six months' bills, while even two months' drafts are quoted at 4½ to 5 per cent. This further advance is due to the expectation that the Money market will be absolutely dependent upon the Bank of England for money for several months to come, and that it will have to pay the Bank's minimum rate of discount of 5 per cent. The total applications for the Loan at the Bank of England reached the great sum of £570,000,000, but beyond this £15,000,000 of bonds were subscribed for through the Post Offices, and Post Office applications are still being received. For all practical purposes, therefore, we may calculate that the amount of the Loan sooner or later will be upwards of £600,000,000. This means that on application the sum paid was not quite £30,000,000, and that next week, on July 20, the 10 per cent. instalment will call for £60,000,000, apart from any payments in full. To the extent that payments are made in full it will reach a much greater sum. If only 10 per cent. of the Loan is paid in full the sum that will be paid into the Bank next week will reach £120,000,000, and it is probable that the amount may be much larger than 10 per cent. Upon this great payment will follow, within six weeks, three instalments each of 15 per cent. If only £60,000,000 is paid up in full, each of these instalments will bring in a sum of about £80,000,000. Hence there is the prospect that by the end of August the Government will receive at least 70 per cent. of the Loan, or £420,000,000 of money. How much of this sum will be re-disbursed is unknown. Recently the Government disbursements have been very heavy. In the first 10 days of July they reached £40,000,000, of which £36,000,000 was for supply, but in the last three weeks they amounted to only £67,000,000, or at the rate of rather over £3,000,000 a day. If we assume that the disbursements, less revenue, will be at the rate of about £3,000,000 a day, they will reach £144,000,000 by the end of August, and the market will have to find on balance £276,000,000.

Against this sum has, however, to be placed any Treasury bills that are not renewed. Between April 10 and the end of May there were issued about £115,000,000 of Treasury bills, and if the whole of these were in three months' bills, and are presented for payment before the end of August, the sum paid into the Bank on balance up to the end of August will amount to £161,000,000, of which, however, £80,000,000 will not be paid in until the last day of August. It is unlikely, however, that all the Treasury bills will be presented for payment. Thus there is the prospect that a large sum of money will now accumulate in the Bank of England, and that part of it will be used to redeem the Government's indebtedness to the Bank in respect of "frozen" bills, which the Chancellor of the Exchequer informed the country amounted to nearly £50,000,000.

In September and October the payments in connection with the loan will probably not exceed the weekly disbursements, plus the Treasury bills that may not be renewed. Were the whole of the Treasury bills to be presented for payment the net payment in connection with the loan would be £350,000,000 up to the end of October, which, added to the revenue collected from day to day, would provide for the expenditures of the country at the rate of £3,500,000 for about 120 days, that is, to the middle of November. If, however, only £150,000,000 of "Treasuries" are presented for payment the loan, plus the incoming revenue, would provide for an expenditure of

£3,500,000 a day nearly up to Christmas. If new taxation for a substantial sum is now imposed the loan will carry the country far beyond Christmas; indeed, with the assistance of Treasury bills it will probably provide for the entire expenditure of the country in the current fiscal year to the end of March.

In brief, as far as can be seen, the new Loan, plus additional taxation and Treasury bills, will give the Bank of England complete control of the open market for several months to come, and will enable it to make its 5 per cent. rate effective right through the autumn.

That this is a desirable situation no one acquainted with the state of the foreign exchanges can deny. It was in a sense a misfortune that the supply of floating money should have been so abundant when the country owed such large sums abroad. It will be very much easier to retain foreign banking money in this market and to attract additional money with a rate of 5 per cent. than with an effective discount rate of 3 per cent. or less.

Having regard, however, to the greatness of the adverse trade balance it is not only doubtful but improbable that a 5 per cent. Bank rate will be entirely effective in stopping the gold exports. If, however, the high rate in London induces American bankers to take any large amount of British bills, Government or otherwise, then for a time the 5 per cent. rate will be effective. It will be realised that in the next few months our indebtedness to the United States will reach very large figures. Normally in the autumn we buy cotton, wheat, and other goods very freely, and our great purchases enable the Americans to meet the expenditures of their tourists during the summer months. In the present summer there have been no tourist expenditures, and our great purchases from the States will have to be paid for in some other way. Moreover, each month the deliveries of goods ordered by the Government from the States and from Canada are increasing, and consequently up to Christmas our indebtedness to the States for goods will reach enormous and unprecedented figures. It is, of course, possible that we may succeed in paying for the goods we shall buy either by sales of American securities or by placing fresh securities of one kind or another in the United States, but it is obvious that as matters now stand, and with the existing condition of the sterling exchange, rates of interest in London ought to be maintained at a profitable level in order to attract to this market as much money as possible from the whole world outside the belligerent countries.

**THE BANK OF ENGLAND.**

THIS week the movements of gold on foreign account have been greatly reduced in consequence partly of considerable sales of American securities that have been made by persons desirous of paying up in full for the new War Loan. On foreign account the loss of gold has been only £243,000, and inasmuch as £105,000 returned from circulation the diminution in the stock of gold held by the Bank was only £138,000, which brought the total down to £53,126,000. The note circulation showed a decline of £578,000, and the reserve consequently increased £441,000, and now amounts to £37,082,000. The Government disbursements on balance amounted to £14,913,000, and the public deposits have been reduced to £52,986,000. Since the middle of May the reduction in the Government balance has been as much as £80,000,000. On the other hand, the "other" deposits have increased £18,124,000, bringing the total to £157,983,000. Presumably, however, the payment of the application money on some £585,000,000 of new War Loan, which brought in a sum of nearly £30,000,000 to the Bank, is included in the "other" deposits, and has not yet been transferred to the Government balance. If this be the case the "other" deposits were really reduced by

at £12,000,000. The deposits have increased about £1,000,000. The reserves have increased from £12,000,000 to £140,021,000. There was an expansion of £705,000 in the Bank's holding of Government securities, which brought the total to £51,748,000. The proportion of reserve to liabilities is slightly lower at 17.58 per cent.

### MONEY IN NEW YORK.

As usual at the beginning of July, a large amount of cash was withdrawn from the New York Banks last week, and the reduction in their reserves amounted to nearly £1,400,000. As this was attended by an increase of £6,400,000 in loans, and the deposits increased nearly £2,000,000, the surplus reserve showed a decrease of £1,400,000. Nevertheless, the surplus remaining is still £30,814,000. Usually the reserves of the New York banks are maintained during July and part of August, but from about the second or third week in August until November or even December they show heavy decline. The great harvest expected to be gathered this year, and the improvement in the trade of the country, coupled with the probability that New York will leave some of the money due to it from this side in London at the profitable rates of interest current here, will probably result in a substantial reduction in the reserves of the New York banks. Such a reduction is not a matter for regret, for it is obvious that New York bankers do not need to keep a surplus reserve of about £31,000,000 in order to protect their deposits, especially now that the country has changed over from a borrower to a lender, and other countries are becoming increasingly indebted to it on current account. The margin of banking reserves which a country needs as a creditor nation is entirely different from the margin it requires as a debtor nation. When it is a debtor nation it is always exposed to the danger of withdrawals of gold at an unexpected moment, but as a creditor nation it has the power to draw money from other countries and therefore does not need to keep in its own banks nearly as much reserve as it does when the situation is reversed. Money in New York is extraordinarily abundant and can be obtained at less than 2 per cent., while the discount rate for prime paper remains at 3 to 3½ per cent. The New York sterling exchange upon London, after recovering to 4.76½, has now fallen to 4.76½, in spite of heavy selling of American securities on European account. Consequently it is obvious that American exports are more than sufficient to take care not only of its imports, but of all the securities it is buying.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate July 15	Par as usually quoted	Discount
London ... sight	\$4 76½	4 86½ dollars for £1	2-0
" ... cables	\$4 77½		1-9
" ... 60 days	\$4 72½		2-8
Amsterdam ... sight	40c.	40½ cents for 1 guilder	0-6
Berlin ... sight	81½c.	95 cents for 4 marks	14-2
Copenhagen ... sight	25½c.	26½ cents for 1 kronen	3-2
Italy ... sight	6.13½	5.18 lire for \$1	18-3
Pans ... sight	5 38½ fr.	5.18 francs for \$1	7-7
Petrograd ... sight	38½c.	51½ cents for 1 rouble	50-6
Mexico ... Mex. silver \$	20½c. U.S.	50c. U.S. for 1 Mex. \$	27-0
Switzerland ... sight	5 37 fr.	5.18 francs for \$1	3-5
Vienna ... sight	15 10c.	20½ cents for 1 kronen	25-4

Rates for prime commercial paper and for call loans in New York are as follows:—

July 8, 1915...	Prime paper ...	3-3½%	Call money ...	1½%
July 9, 1914...	" " ...	3½-4½%	" " ...	2½%

### MONEY IN INDIA.

THE supply of money in India remains abnormally plentiful, and the exchange rates from Calcutta and Bombay are no higher than 1s. 3½. There were practically no applications this week for the ten lacs of Council drafts. The abundance of money in India is reflected by the fact that the quantity of coined silver in the Currency Department has now increased to 3,763 lacs, which compares with 3,000 lacs at this time last year. The latest returns of

the Presidency banks show that their cash balances were much larger than last year. Owing to a clerical error we stated last week that the Indian Government, if it raised its loan at the present time, would probably issue it on a 4½ per cent. basis. We intended to say a 4 per cent. basis. No further news is to hand as to the date when the loan will be announced or whether it will be issued at all.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent. (June 4, '15)

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, July 14, are:—

Rate.	Tendered.	Accepted.	Rate.	Tendered.	Accepted.
s. d.	Rs.	Rs.	s. d.	Rs.	Rs.
1 3½	15,000	15,000	1 3½	15,000	15,000
		Offered.		Tendered.	Accepted.
		Rs. 10,00,000		Rs. 15,000	Rs. 15,000
	Grand Total ...	Rs. 10,00,000			

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

Madras ...	Rs. 15,000	Bills.	Average.	Minimum.	Telegraphic Transfers.	Rs. Average.	Minimum.
			1,3837	1,3½			

From April 1 to July 13 inclusive the Council have granted remittances for Rs. 2,74,01,978, and for £1,824,471. Up to July 14 of last financial year the total Bills and Telegraphs sold was Rs. 4,37,23,332, realising £2,919,371. The total sales for the week ended July 13 amounted to Rs. 4,80,000, realising £31,963. The amount to be offered for tender next Wednesday will be 10 lacs.

### SILVER.

THE price of silver this week has been steadier, and after recovering to 22½d., and reacting to 22½d., the price closes on the week at 22½d. The demand for India is still conspicuous by its absence, and China has been disposed to sell on balance. The support given to the market has come from the Continent and from miscellaneous purchasers.

	July 9	10	12	13	14	15	16
London ...	22½	22½	22½	22½	22½	22½	22½
India ...	Rs. 58	58	58	58	58	58	58
Exchange	1,3	1,3	1,3	1,3	1,3	1,3	1,3

## Stock Exchange.

IN general the Stock markets have presented a depressed appearance. Here and there industrial descriptions have maintained steadiness, but Government descriptions, also railway descriptions, have been heavy in tendency. In great part nervousness has been accentuated by the gravity of the coal crisis in South Wales. All things considered, the behaviour of the American market has been gratifying. Recent preparations for securing resources whereby to apply for Government Loan have led to a stream of selling of both American railway bonds and shares, and New York has taken offers very freely. There has been the feature of the firming up of the New York market after the temporary set-back caused by heavy British selling.

The approximate amount of subscriptions to the War Loan announced on Tuesday showed the following:—

	Number of Subscribers	Amount £
Through the Bank of England ...	550,000	570,000,000
Through the Post Office ...	547,000	15,000,000

It is to be recalled that the amount of the 3½% (old) War Loan issued in November last was £350,000,000.

In view of such figures it will be of interest to set out the response, as detailed by the German Press, of the two big loans Germany raised in the form of 5% debt for periods of five and ten years. The recorded figures are given below:—

	Sept. 1914 5% Loan—	Feb.-Mar. 1915 5% Loan—
	5 Years	10 Years
Number of Subscribers	926,059	2,113,220
Amount £	36,600,000 (16.5%)	83,100,000 (17.1%)
Up to £100 ...	926,059	2,113,220
Over £100 ...	251,176	577,840
	1,177,235	2,691,060
Amount £	223,000,000	452,900,000

The numbers of small applicants for the German loans were very large in both borrowings. They are included above in the item "Up to £100," but further detail may be given:—

	Number	£	Number	£
Up to £25	472,926	7,300,000 (3.3%)	1,956,583	16,500,000 (3.9%)
Over £25 to £100	158,113	29,500,000 (13.2%)	1,979,657	66,800,000 (14.8%)

Some practical detail useful for purposes of reference in respect of conditions of the  $4\frac{1}{2}\%$  War Loan is given below:—

**Calls** per £100 subscribed.—Alternate Tuesdays to October 26 inclusive.

£10 July 20  
£15 each August 3, 7, 31, } Instalments may be paid  
£10 each September 14, 28, } in full on or after July 20  
£10 each October 12, 26 } under discount at the  
rate of  $4\frac{1}{2}\%$  per cent.

#### Facilities for Prepayment.

Holders of War Loan who have received their allotments may lodge forthwith payment of the instalment due July 20, 1915, or payment in full subject to discount calculated from that date. Cheques received in respect of such payments may be dated July 20, and will be held over for presentation on or after that date. Holders, by availing themselves of this arrangement, will be able to save themselves much of the delay and discomfort to which they might otherwise be liable owing to the very large number of payments which are due to be made on the date named.

**Dividend.**—Full half-year's dividend payable December 1 by coupon attached to Scrip certificate, that will be issued for provisional receipts.

Subsequently stock dividends by warrants sent to the inscribed—or registered—holder by post. Bonds with coupons. Coupons must be presented. This can be done through the owner's bank.

**Fully Paid Scrip to Bearer** of the  $4\frac{1}{2}\%$  War Loan can be converted:—

(1) Into inscribed stock (registered at Bank of England or Bank of Ireland), which can be for any amounts that are multiples of a penny; or (2) as soon as these can be prepared (without charge) into bonds to bearer of £100, £200, £500, £1,000, £5,000, and £10,000. Bonds can be changed into inscribed stock for a fee of 1s. per bond.

**Scrip Certificates with Rights of Conversion** (*cum* rights) can, when fully paid, be exhibited with the *talon*. Such *talon* is retained by the Bank of England, and the Scrip certificate in form *ex* rights is returned.

For £100 Scrip certificate the holder may present for conversion into  $4\frac{1}{2}\%$  War Loan:—

£100  $3\frac{1}{2}\%$  (old) War Loan (paying a further £5),

or £75  $2\frac{1}{2}\%$  Consols.

In respect of the  $3\frac{1}{2}\%$  old War Loan surrendered he will receive £1 10s. 11d. per cent., payable September 1, and £2 5s. per cent., payable December 1, in respect of his new War Loan.

In respect of the *Consols* surrendered he will receive the usual quarter's dividend of 12s. 6d. per cent., payable October 5, and £2 5s. per cent., payable December 1, in respect of the new War Loan.

Or—there are also conversion rights in respect of  $2\frac{1}{2}\%$  and  $2\frac{3}{4}\%$  Annuities, of which two securities there is little in the possession of the public.

(Forms for exercise of conversion rights obtainable at the Bank of England.)

Applications for conversion of old War Loan will not take effect till after August 3, or Consols till after September 1, the dates when the books of those stocks will be closed for the preparation of the dividends due, respectively September 1 and October 5.

Application for Conversion has to be made not later than October 30.

The growth of power of the Carranzist party in Mexico, indicated by its reoccupation of the City of Mexico, it is to be hoped is a silver lining to the dark cloud that has hovered over that country for so long. The internecine conflict has not only stopped progress, but put back the country very severely indeed. Those who are interested in Mexican securities will, we consider, be well-advised to closely watch the trend of events. Although information respecting the position of affairs is very meagre, there seem to be clearer indications of a possible early cessation of civil war and the establishment of a Government of responsible and respectable character. Should this happen there will be room for a material improvement in the prospects of holders of Mexican Government, municipal, railway, industrial, and mining securities. Further, if Carranza proves a "strong" man it is possible he may be recognised and receive the imprimatur of the United States Government.

One of the strongest markets all through the prolonged crisis has been that for the shares of rubber-producing companies, and it is interesting to take note of a very important change that has occurred in the attitude of manufacturers to rubber itself. For years the quotation of wild-grown rubber, as measured by Brazil Hard Para, has stood at a much higher price per pound than that of plantation-grown. There has been a gradual shrinkage in the difference between these two prices, and quite recently the position has changed completely. At the present time plantation-grown descriptions command as high a price as Hard Para. The respective quotations are set out below:—

	July 15, 1915	July 15, 1914
Hard Para	2 6 $\frac{1}{4}$	2/10 $\frac{1}{2}$
Fine plantation	2, 6 $\frac{1}{4}$	2/2 $\frac{1}{2}$

## THE WELSH COAL STRIKE.

THE strike of coalminers in South Wales, which has caused the stoppage of mines employing some 200,000 men, would be a serious matter in any circumstances, but under existing conditions it is almost a national disaster. We say "almost" as hope is still entertained that reason will prevail, and that the men will return to work on Monday. The men have ceased working, notwithstanding the fact that negotiations were still going on between their leaders, the Board of Trade, and the coalowners, and the fact that South Wales had at the last moment been declared a Munitions of War area in which it became a breach of the law to strike, and a striker became liable to a fine not exceeding £5 per day.

At a time such as this it is obvious that any strike which imperils the output of munitions of war is not far removed from an act of treason. It is obvious, of course, that the miners of South Wales, who have contributed recruits in greater proportion than any other district of the country, are not conscious of the seriousness of their action, and that the strike is not intended to be treasonable. The miners of South Wales, pushed on by a few men in their ranks who are termed progressives, simply feel that they have a grievance, and have struck in order to enforce their demands just as if the country were not at war. They were, however, aware of the Munitions of War Act,

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and their defiance of this measure seems to have been for the purpose of indicating to the Government and to the country that measures of coercion would be unavailing. Therefore it is evident that the situation needs to be handled with very great care and with great wisdom.

A Conference was held last night between the President of the Board of Trade and the leaders of the men. The result of the Conference was unknown as we went to press. It is known, however, that the leaders of the men did their utmost to prevent the miners from striking, and presumably they have suggestions to make to the Government which they expect will end the difficulty. Should these suggestions not prove practicable, it is desirable that other steps should be taken to induce the miners to resume work.

According to impartial reports the matter under discussion is a very small one. The miners request an increase in their minimum wage, which, according to the masters, will add sixpence a ton to the cost of obtaining coal, while the men calculate that the additional cost would be not more than fourpence a ton. The action of the men in leaving work increases the difficulty of granting their demands, and the right course to pursue would seem to be to induce the men to return to work under the promise that their proposals shall receive the attention and consideration of the Prime Minister and of the Cabinet. If it is not possible for the President of the Board of Trade and the leaders of the men to induce the miners to return to work, it would seem to be desirable that the suggestion put forward by some of the men that the Minister of Munitions should go to South Wales to explain matters to the miners, and to induce them to return to work should in the special circumstances be adopted. We are sure that a Welshman possessing the eloquence of Mr. Lloyd George will do far more with his countrymen by persuasion than anyone can possibly effect by coercion. Having regard to the manner in which the men of South Wales have come forward to defend their country no one can doubt the patriotism of South Wales. Surely it cannot be beyond the wit of man to find means of giving the miners of South Wales another opportunity of proving to the world that they are not really lacking in patriotism in this time of anxiety and of crisis.

### ANACONDA—AMALGAMATED.

In May this year 1914 200,000 shares were consummated for the Anaconda Copper dog to wag the Amalgamated Copper tail. Previously the tail had wagged the dog. A reorganisation of the directorate was effected, and powers were secured whereby the Anaconda Company raised further capital in the shape of two-year notes for \$16,000,000. With the proceeds of the notes provision was made for improvements and for the acquisition of the United Metals Selling Company. Further, the Anaconda gave rights to the incoming Amalgamated shareholders to subscribe for additional capital in the proportion of one Anaconda \$50 share in respect of each 12 \$100 shares of the Amalgamated.

It may be recalled that the Anaconda Company is the largest copper-producing enterprise in the world—at present. The Americans know all about it, but there are few of even usually well-informed City men on this side of the water who are aware of the magnitude of the enterprise.

Shareholders in the undertaking are now informed officially that all preparations are completed for the clearing up of the position. As to the Amalgamated Copper shareholders, the whole of the \$100 shares have to be exchanged for Anaconda \$50 shares, and owners resident in Europe are offered the facility of depositing them with Messrs. C. S. Henry and Co., at 12 Leadenhall Street, E.C. Particulars will be found in our advertisement columns.

The Amalgamated Copper Company announces that a quarterly dividend of \$1 per share will be distributed. This will be the final distribution.

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## Mining Topics.

EXCEPT for a steady and, in some directions, a firm tendency for Rand mining shares, and a renewal of a depressed market for copper shares, there has been no appreciable movement in the Mining department. The business effected during the week has been of very restricted character. For the time being there is unsteadiness and uncertainty in respect of base-metal shares, but the market for sound gold-mining shares remains, and is likely to continue, hard. It has all through to be remembered that the Rand from the mining point of view is in a sound condition. That is to say as to companies that have well established themselves as producers and have a property that affords a reasonable certainty of a long life. The section of the Rand to which most attention is being given is to the Eastern portion; there has also been firmness in some of the Central deep-level properties, more particularly the City Deep and Village Deep.

Very few persons who have been deceived by circulars and have made response to offers of shares in companies of undesirable—putting it mildly—character are disposed to take action themselves. They are exasperated, but silently submit to the first loss. Respecting the constant efforts that have been made in recent years to foist the shares of the East Rand

Amalgamated Gold Estates, Limited, upon the public, we last month offered the observation that this scandal called for "stern" action, and we have been asked why the Public Prosecutor does not take action in the matter. The explanation is a very simple one. It is necessary, before any action can be considered, for a complaint to be made by a person who is aggrieved, and all that it is necessary for this person to do is, without expense, to put forward a statement of the circumstances by means of which he became pecuniarily involved. If the complaint is based on solid grounds, and the complainant can clearly establish that he has been deceived and lost money through the deception, by taking such action as that mentioned he will not involve himself in any personal costs, and will arm the Public Prosecutor in case the position justifies public action being taken. It is a similar procedure as with a complainant who has been robbed; he must establish the fact before the man accused is arrested.

### BECHUANALAND EXPLORATION.

THAT the dividend of this Company for the year to March 31, 1915, is reduced to 3 per cent. is almost entirely due to the inclusion of the increased share capital that was issued for the acquisition of the Northern Company's assets in 1914. A consideration of the recent records of the Company indicates that a very conservative and steady course is being adopted. Having regard to the character of the Company's assets, it is noteworthy that in the past seven years it has directly applied to writings off to depreciation of share assets and the value of its land, &c. holdings no less than £104,885, beside utilising some profit by expending on development. In 1908 the then issued £1 shares had been scaled down to shares of 10s. each, half the capital being written off.

On page 7 of the report issued at the end of last week a summary of the Company's assets as at March 31, 1915, is given, and it is worth while to set out the salient features of this summary:—

Stands and buildings. Book cost	...	...	...	...	...	22,675
Northern Copper assets (including 29,600 acres of land). Book cost	...	...	...	...	...	57,089
Cattle, 2,491 head, average cost per head, £4 5s. 8d.	Book cost	...	...	...	...	12,622
141,033 acres of land at 1s. 9d. per acre.	Book cost	...	...	...	...	12,724
124,112 acres of improved, Aberfoyle Ranchg., estates at 4s. 2d. per acre.	Revenue authorities' valuation	...	...	...	...	25,635
Market value of quoted shares.	Net income, £5,037	...	...	...	...	71,518
Estimated value unquoted shares.	Net income, £5,527	...	...	...	...	69,190
Cash, Treasury Bills, Loans, Debtors less creditors	...	...	...	...	...	48,618
Total estimated value of assets	...	...	...	...	...	320,071

Consequent on the favourable features indicated in the report added to the news received of the surrender of the Germans in German South-West Africa, there has during the past few days been an appreciation in the price of the shares from about 3s. 3d. to 4s.

The position of the Company is comparable with the position of a manufacturer who has erected a factory and is spending money in extending it. The income he receives from operating the works partially is expected to be increased upon completion, when orders on an augmented scale come in. With the Bechuanaland Exploration Company, in the main its income has hitherto been derived from dividends received on shares, &c., it has invested in. Its lands are analogous to the extension of factory policy of the manufacturer, and as those lands are brought to the stage of production, and especially in ranching, augmentation of profits is to be looked for. The outlays that have been made in the recent past in effecting developments, consequently, are in the nature of applying a portion of the profits to capital outlay. Heretofore such capital outlay has been of unproductive character. The time will come, let us hope—and, indeed, we expect it will come—when, instead of being a sort of dead lock-up, it will yield revenue. Our counsel to holders of shares in the Bechuanaland Exploration Company, many of whom by this time

have learnt what patience is, is to continue the exercise of that virtue.

The issued capital of the Company being £300,886, it is to be noted the £320,071 valuation of the assets exceeds the capital, but the market price of 4s. per 10s. share represents a valuation of only £120,354. The Rhodesian market undoubtedly has been severely handicapped for some years past, but the market valuation of Bechuanaland Exploration shares seems adding handicap upon handicap. The following table sets out for each of the last two years to March 31 the income, expenses, and appropriations of the Company:—

Year to March 31.	—1915—	—1914—
Interest, &c., London	1,119	919
Interest, rents, &c., South Africa	4,588	5,197
Dividends on investments	10,758	10,764
Share, &c., realisations—profit	3,638	2,486
Receipts	20,094	19,466
Agency income	6,352	6,556
Total	26,446	26,022
Administration, London and South Africa	£9,449	£9,296
Provision for development and depreciation	7,917	8,486
	17,366	17,782
Profit	9,080	8,240
Dividend and directors (say)	(3%) 8,876	(4%) 8,283

### MESSINA (TRANSVAAL) DEVELOPMENT COMPANY.

IN THE STATIST of November 14 we dealt comprehensively with the then position of this Company, imperilled, through the locking-up of its resources, by the conduct of some of those who had been entrusted with the direction. A loan of £183,000 had been made to the Canadian Agency, and the securities deposited against the loan were, when the crash came in the middle of 1914, found to be almost entirely of intangible character. Further, the Company had some £15,000 on deposit with the banking firm whose downfall was brought about by that of the Canadian Agency.

We commenced a re-perusal of the remarks we then made to those who are interested in the Company's affairs, for in it various important points are covered. With the crippled resources, adverse climatic conditions, reduction of staff and other discomforts, much work that, had the Company been financially strong, would have been performed in the period to June 30, 1915, has had to be deferred—this both in the case of the erection of contemplated plant, and also in the matter of effecting fresh development ahead of mill requirements. Conditions as to the physical state of affairs at the mine are to be reported upon by an expert who has been sent out by the new board, elected a little over a year ago. But meanwhile we may call attention to some of the salient facts of the recent past.

It was announced in the circular issued on May 26 last, that the Bank overdraft which had been arranged for had to that date been gradually drawn down, and then stood at about £27,000. We estimate that as a consequence of the further sales of the production of concentrates and matte, the position at the end of the Company's financial year, June 30, has resulted in an entire extinction of indebtedness, and some small amount remaining in hand.

It is gratifying to note that, all discomforts notwithstanding, the Company has been able to increase the output of metal for the financial year ended June 30, 1915. We have official announcements in respect of ten months out of the twelve, and we estimate each of the remaining two months at about the same figure as for the month of April. We calculate that the approximate amount of metal produced for 1914-15 has been 5,430 tons, in contrast with 4,886 tons produced in the previous corresponding twelve months. We believe it to be a fact that the virtual cessation of ability to market its concentrates and matte during the second half of 1914 was really

a blessing in disguise for the Company. It may be recalled that the price of copper receded very violently at the beginning of the war, and continued at a very low level until the end of last year. Between the middle of August and the end of December the unofficial range of cash prices of standard copper was between about £49 October and £58½ December. From then on it improved considerably, especially in recent months, having in June been to well over £86. We believe nearly the whole of the copper produced in the six months to December 31, 1914, was disposed of under conditions of a much better price than had it been normally marketed.

As to the future, a great deal depends upon the condition of the mine, which is being looked into by the Company's expert. We pointed out in our remarks of November 14 last that the Company's ore reserves were estimated at 200,000 tons of "probable" and a further 114,000 tons of "probable" ore. Before forming any opinion as to the future outlook, it is desirable for shareholders to await the report of the Company's expert, which doubtless will give the necessary data. We may, however, remind shareholders that the position at the present time is a very different one indeed from what it was a year ago, or, to be more correct, at the time immediately after the outbreak of war. At that time there was witnessed a price for copper measured by the quotation for "standard" of £50 per ton, and it was estimated that the cost of the Messina per long ton of metal produced was not far short of £40 per ton, irrespective of Debenture interest and profits taxes. Now we have the price of copper more than 50 per cent. higher in the case of "best selected," which is the copper obtained from the Company's concentrates, &c., than the average price of the December half of 1915.

Later on we may have more to say respecting this interesting Company, and we cannot refrain from here adding that, while the financial policy and actions of some of the past directors cannot be defended, it must in fairness be borne in mind that in the early days of the Company they did yeoman work in the shareholders' interest, actively and personally supervising and effecting development operations, and working to the end that was ultimately secured of a developed producing mine; and, further, they were instrumental in bringing about the successful outcome of the property being served by a railway system mutually beneficial to the Government, the people, and the Company.

## SOUTH-WEST AFRICAN COMPANIES.

The transfer of German South-West Africa from German to British administration lends interest to a consideration of the financial interests of shareholders in companies established to work properties or which have obtained concessions in that region. In the early nineties a Company with the title of the South-West Africa Co., Ltd., was formed in England to acquire land, &c., concessions from the Imperial German Government. Before mentioning the land interests it may be set out that the English Company also acquired the sole right to undertake railway construction in the country. Subsequently the German Government realised that a mistake had been made in granting this, and the right was taken back from the Company, which received as a *quid pro quo* a concession of mineral rights over a region of 23,000 square miles of Ovamboland, in the north-eastern portion of South West Africa.

In the interim a Company was formed in Germany with the title of the Otavi Mining and Railway Company, and this acquired area from the South-West Africa Company, and also the right to construct a narrow-gauge railway from the coast at Swakopmund to Tsumeb, in the Otavi Company's region. On receiving a cash consideration from the Government the Otavi Company abandoned its rights to the

ownership of the railway it constructed; the amount received from the Government enabled the Company to pay off £1,100,000 of its then capital. Part of the arrangement was that the Otavi Company should have a lease of the railway at a rental of an average of 5.15 per cent. on cost of the railway for the first 10 years and modification thereafter.

The position of another Company, English-formed, entitled the Otavi Exploration Syndicate, is really a strong one despite the smallness of its £30,000 issued capital. After the Otavi Company—we use this brief title for convenience—had cursorily explored the thousand square miles of territory it acquired, it established four different mines—the Otavi, Tsumeb, Asis, and Guchab. It found the development and working of these properties quite enough to occupy its attention, and the idea was conceived that the Otavi Company (German) should permit the Otavi Exploration Syndicate, Limited (English) to prospect and work all the rights of the ground in the thousand square miles, other than the established mines above mentioned. This was like the Nigerian procedure of granting exclusive prospecting rights. Rights were granted for a period of 10 years till June 1920. The Syndicate already has found some payable ground, and has produced therefrom, and consequently been able to carry out the condition imposed that it should expend £5,000 a year for the 10 years' period of its prospecting licence. From working any ground the Otavi Company is to receive 35 per cent. of the net profit the Syndicate makes.

Here we have a complication of arrangements between the German Government and an English Company, an English Company and a German Company, and a German Company and an English Company, and the initial Government control displaced.

The area affected by the various arrangements entered into is a very large one indeed. The total extent of German South-West Africa is represented to be 322,450 square miles. Almost entirely to the north land rights aggregating some 83,000 square miles have been transferred to the South-West Africa Company, which also has half-interests with the Hanseatic Company in two blocks of ground south and east of Windhoek aggregating 15,000 additional square miles; so that in all the rights of a Company controlling 98,000 square miles out of 322,000, or appreciably more than a third of the total area, are affected by the transfer of administration from one Power to another.

The population of German South-West Africa is approximately 12,300 German and 1,800 British settlers. Most of the latter are Boers, who settled in the south-eastern districts, close to the Cape boundary, but some have been employed in the mining region, quite at the north of the territory.

The land-owning Company is the English-formed South-West Africa Company, Limited, established in August 1892, and having at the present time an issued capital of £1,750,000, in £1 shares. This Company holds land rights direct, also derived shareholdings in companies that have had concessions. It also holds stock and share investments out and out. A large part of its capital, as well as its cash, is, in the circumstance of the War, locked up. According to the last report, at December 31, 1914, of the total investments, taken in the balance sheet at or under cost

To the

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of, in round figures, £1,253,000, £750,000 was investments inscribed or deposited in Germany, and £500,000 inscribed or deposited in London. Of shares held in other companies, the balance-sheet valuation of £56,000 represents £52,000 held in London and £3,000 held in Germany. Of the cash, aggregating £460,000, approximately £408,500 was held in Berlin on current and fixed-deposit account and £51,500 in London.

It will be noted from the foregoing that had there been normal conditions and a continuance of amity between this country and Germany the Company would have been in a strong position, but in the circumstances, of course, it is quite the opposite. The position of the Company would have been that its cash investments and debtors represented more than the issued capital. The land rights figure for nothing in the balance sheet, and yet the rights, as pointed out above, extend over a very considerable extent of country, in addition to the rights that are owned over an immense area of Portuguese Angola. These Portuguese rights are indirectly owned. Of the capital of the Companhia de Mossamedes, which is credited with having rights over 70,000 square miles in Angola, a large proportion is held by the South-West Africa Company. Similarly, through the South-West Africa Company holding two-thirds of the capital of the South African Company, Limited, its proportion of area owned by the South African Company is 44,000 out of 66,000 square miles. The position as to the rights may be summed up in the following schedule:—

Approximate  
Square Miles

3,000	Freehold in Otavi-Tsumeb copper region. (1,000 square miles beyond was disposed of to the Otavi Mines and Railway Company.	Ovamboland and Damaraland inland and to the south of Angola.
17,000	Mining Rights (Damaraland) surrounding such area.	
23,000*	Mining Rights (Ovamboland) to north of above.	

(\* Ceded by Government to the South West Africa Company on it giving up its railway rights.)

40,000 Mining Rights (Kaoko) to west of above. (With right to select about 4,000 square miles for freehold.)

44,000 Mining Rights in southern portion of Angola (two-thirds of total 66,000 square miles), the property of the South African Company, Limited, two-thirds of whose capital is held by the South-West Africa Company.

This Angola area adjoins the above areas.

A large interest in the Companhia de Mossamedes, which owns very extensive privileges and rights over some 70,000 square miles in Portuguese Angola, granted by the Portuguese Government.

(The whole of the above is a comprehensive area, all in one block).

7,500 Half-interest in Mining Rights over two separate blocks of territory aggregating 15,000 square miles south and east of Windhoek (Hanseatic Company).

Interest in the Damara and Namaqua Trading Company.

There has been some amount of loose discussion as to what will be the outcome of the change of Government, but we venture to think that both those persons who profess apprehension and those who profess elation are a little beside the mark, and that in the main the only effect will be that what the German Government formerly received in the way of railways, rentals, royalties, fees, &c., will pass to the British Government, and the contracts effected between

companies, be they British or German, and the new Government will remain virtually unchanged.

Of course it is too early yet to form any opinion as to the intrinsic values of securities of the companies affected. Time must elapse before we have clearer detail and this problem can be worked out, but the facts we have given summarise the position as it is at present.

From the mining point of view the country has shown its potentialities, for both the Otavi Mining and Railway Company and the Otavi Exploration Syndicate have proved ground to be of highly payable character. The Otavi Mines and Railways for fully seven years has been a producer on an increasing scale both of copper and of lead.

Outside of the relations of the three companies we have referred to, there is another important industry—that of diamond mining—which will be affected. This region extends for approximately 300 miles of sea coast from about Luderitz Bay to the south. The growth of the diamond industry in German South-West Africa has been very rapid, and it has been an important source of income. This will be diverted to the new Government.

## ARIZONA COPPER.

THIS Scottish-controlled American copper Company is deriving great benefit from the increase in the price of copper and the improvement in the Metal market. In September last, consequent on the disorganisation of the market following on the outbreak of the War, the monthly copper production of the Arizona, in conformity with the other large producers of the United States, was reduced from an average of about 1,700 tons to about 1,200 tons a month, but in January 1915 market conditions having greatly improved and the price of copper having risen very appreciably, the normal rate of output was resumed. The Company's year ends on September 30, but half-yearly accounts are made up to March 31. The results for the half-year ended March 31, 1915, have been published this week, and considering the temporary reduction in the output it is apparent that the profit earned in the period was very satisfactory, due no doubt to the high price obtained for the metal during the last months of 1915. According to the monthly advices 8,791 tons of copper were produced in the half-year, which compares with 9,545 tons in the corresponding period of last year. Notwithstanding the smaller output, however, the total net profit for the past half-year amounted to £163,047, against £137,723 in the half-year to March 31, 1914, when an average price of £59 3s. 4d. was realised for the output. What price the smaller output of the past half-year fetched is not stated, but it is evident from the increased profit that the sharp rise witnessed in the price of the metal at the commencement of the year, carrying the quotation to well over £80 per ton in June, has considerably benefited the Company. For the first time the clause in the Debenture deed whereby one-fourth of the net profits has to be set aside to a fund for redemption of Debentures comes into operation, and consequently £40,762 of the past half-year's net profit is allocated for the purpose. After providing for this and allowing £12,266 for Preference dividends, the balance profit available on account of the past half-year's working comes out at £110,019. A dividend of 20 per cent., or 1s. per 5s. share, is to be paid on the Ordinary capital on July 30, and the remaining £34,024 added to the amount of £27,284 brought in from the previous year increases the carry-forward to £61,308, which, however, is subject to provision for capital outlay at the end of the financial year.

In regard to the current half-year it is practically certain that a further considerable increase will be shown in the profit earned. The output for the first three months has been 5,645 tons, whereas for the whole of the half-year to March 31 last the output was

only 8,791 tons. Further the average price of the standard copper for the last three months has averaged £78 8s. 3d. per ton in comparison with only £63 9s. 4d. for the previous three months, and the present quotation of the metal is £75 10s. Consequently it seems certain that in respect of the current half-year not only will the Company's copper output show substantial increase, but it will be possible to sell it at a much higher average price. The outlook is therefore for the rate of dividend on the Ordinary shares to be considerably increased despite the necessity to apply one-fourth of the net profit to Debenture redemption fund. However, as the price of the 5s. shares has lately appreciated to 37s. cum the 1s. dividend, the prospect of improvement in profits and dividends is largely discounted.

A comparison of the results of the last half-year with those of the corresponding periods of 1914 and 1915 and the last two complete financial years is given below:—

	Half-Year to Mar. 31, 1915	Year to Mar. 31, 1915	Half-Year to Mar. 31, 1914	Year to Mar. 31, 1914	Half-Year to Mar. 31, 1913	Year to Mar. 31, 1913
Ore treated (tons) ...	—	1,079,950	—	936,903	—	—
Yield of copper (tons)	8,791	19,378	9,545	17,113	9,283	—
Yield of copper (per cent.) ...	—	1.79	—	1.82	—	—
Price realised (per ton)	£ 55 11s. 1d.	£59 3s. 1d.	£63 4s. 6d.	£64 13s.	—	—
Total profit ...	163,047	231,412	137,723	337,650	208,490	—
Debenture redemption	10,762	—	—	—	—	—
Prof. dividends ...	12,266	24,531	12,266	24,531	12,265	—
Ordinary dividend ...	75,995	132,991	75,995	208,985	113,992	—
	(20%)	(35%)	(20%)	(35%)	(30%)	—
Brought forward ...	34,024	73,890	49,462	104,134	82,233	—
Reserve for capital outlay†	—	60,000	—	130,000	—	—
Carried forward ...	61,308†	27,284	62,857†	13,395	121,494†	—
Capital expenditure	—	103,190	—	402,385	—	—
Debt issue ...	—	100,000	—	500,000(a)	—	—
Preference capital ...	324,010	324,010	324,010	324,010	324,010	—
Ordinary capital ...	379,974	379,974	379,974	379,974	379,974	—
Price of Ord. 5s. shares at end of period ...	32 6	32 6	38/9	40 0	38 9	—

(a) £400,000 paid up.

† After deduction of Debenture interest.

† Reserve for capital outlay decided at end of fiscal year.

## MOUNT MORGAN.

THE operating results of this Australian copper and gold mine for the half-year ended May 31 do not reflect so great an improvement as might have been expected, in view of the anticipated increased efficiency of the new plant and the much higher price ruling for copper. A slightly larger quantity of ore was dealt with by the smelting and concentration plant than in the previous six months, but the output of copper fell off slightly to 4,482 tons in the half-year to May 31, in comparison with 4,593 tons in the previous period, while the gold production was 58,196 oz. in comparison with 58,309 oz. It looks, therefore, as if the grade of ore treated has further fallen off, as will be seen from the following contrast of the treatment results of recent years:—

Half-Year ended	Ore Treated		Fine Copper		Gold	
	By Smelter Tons	By Concentrator Tons	Produced Tons	Yield %	Produced Oz.	Per Ton Dwt.
Nov. 30, 1912 ...	172,423	—	172,423	5.0044	2 9	62.553
May 31, 1913 ...	149,675	—	149,675	4.276	2.86	55.935
Nov. 30, 1913 ...	152,016	—	152,016	4.374	2.86	54.993
May 31, 1914 ...	158,654	—	158,654	4.109	2.59	47.856
Nov. 30, 1914* ...	179,939	31,274	211,213	4.593	2.17	58.309
May 31, 1915 ...	154,737	57,974	212,711	4.482	2.10	58.196
4 wks. to June 27	22,888	12,894	35,782	784	2.18	11,430

\* Old smelter shut down June 27. Concentrator started trial run June 29, 1914.

The 4,482 tons of copper produced in the past half-year were sold at the high average price of £75 8s. 10d. per ton, but 2,190 tons of the output had not been shipped at May 31, and have consequently been taken into the accounts at £55. This probably explains why the total revenue of the May half-year was only slightly

above the figure of the previous six months. On the other hand, the cost of mining, development, treatment, and realisation of the output has declined considerably, and for the May half-year amounted to only 40s. 3d. per ton, against 47s. 3d. in the previous period. This satisfactory reduction of working costs practically accounts for the increase of about £40,000 in the net profit, from £63,835 in the half-year ended November 30, 1914, to £102,803 in the half-year to May 31, 1915. If the whole of last year's output had been shipped in time to be taken into the accounts the profit earned would have been very much larger. However, the current half-year's accounts should benefit. The profit results and appropriations of the past two years are contrasted below:—

	May 31, 1915	Nov. 30, 1914	May 31, 1914	Nov. 30, 1913
Total ore treated (tons) ...	212,711	211,213	158,654	152,016
Copper produced (tons) ...	4,482	4,593	4,109	4,354
Gold produced (oz.) ...	58,196	58,309	54,993	54,993
Price of copper realised per ton ...	£75 8s. 10d.	£77 12s. 7d.	£65 13s. 4d.	£72 45s. 4d.
Total revenue ...	503,018	502,381	459,606	496,936
Total expenditure ...	400,215	438,546	356,100	324,090
Net profit ...	102,803	63,835	103,506	172,846
Dividend paid ...	100,000 (10%)	Nil	100,000 (10%)	100,000 (10%)
Balance profit ...	2,803	63,835	3,506	72,846
Written off ...	—	—	—	52,590
Brought forward ...	134,188	70,353	66,847	46,591
Carried forward ...	136,992	134,188	70,353	66,847
Price of shares end of half-year ...	2½	2½	3½	3½

\* Price realised for output sold.

† Includes all expenses.

It will be seen that dividends at the rate of 20 per cent. per annum have now been resumed on the issued capital of £1,000,000, and, in the event of the present high price of about £75 10s. for copper being maintained, future distributions will probably be increased. The price of the £1 shares is now about 2½, the financial position of the Company is very sound and the ore reserve position strong, the quantity in sight at November 30 last amounting to about 3,000,000 tons, irrespective of Many Peaks ore or of a large quantity of low-grade Mount Morgan ore.

**Consolidated Langlaagte.**—We are informed that the amount of Debentures outstanding is reduced to £195,000.

## RAND GOLD OUTPUT

(See page 119.)

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## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, July 14, 1915.

## Issue Department.

Note Issued.....	£70,581,380	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	52,131,380
	£70,581,380		£70,581,380

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ...	£51,747,910
Reserve .....	3,274,586	Other Securities .....	140,020,855
Public Deposits .....	52,986,503	Notes .....	36,086,790
Other Deposits .....	157,983,549	Gold and Silver Coin .....	995,119
Seven-day and other Bills .....	53,056		
	£228,850,674		£228,850,674

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Both Depts.	Deposits Public	Deposits Other	Securities Govt.	Securities Other	Re-serves	Ratio Reserve to Liabilities.	Bank Rate %	Three Months' Bills %
1914.	£	£	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	40.03	4	4
1915.										
June 9	33.1	59.3	123.3	91.4	51.0	136.8	44.7	20.80	5	2
— 16	32.9	56.5	113.0	101.7	51.0	139.5	42.0	19.56	—	2
— 23	33.1	54.1	99.6	109.6	51.0	136.4	39.5	18.87	—	4
— 30	34.6	52.1	81.5	140.6	51.0	152.9	35.9	18.18	—	4
July 7	35.1	53.3	67.9	139.8	51.0	137.9	36.6	17.63	—	4
— 14	34.5	53.1	52.9	158.0	51.7	140.0	37.1	17.58	—	4

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 6, 6%; Aug. 8, 5%.

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes %
1915.					
Total to June 16 ..	117,354,281	71,712,589	45,641,692	28,500,000	62.4
Week to " 23 ..	2,013,273	1,757,925	45,897,040	28,500,000	62.1
" " 30 ..	2,403,224	1,725,403	46,576,801	28,500,000	61.2
" July 7 ..	2,774,292	1,291,945	48,059,143	28,500,000	59.3
" " 14 ..	2,855,087	1,615,764	49,298,471	28,500,000	57.8

## II.—Balance Sheet, July 14, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound .....	36,839,061	Other Bankers .....	139,000
Ten Shilling .....	12,399,411	Currency Note Redemption A/c—	
Investments Reserve A/c .....	303,236	Gold Coin and Bullion .....	28,500,000
		Government Securities .....	9,585,828
		Balance at Bank of England .....	11,376,880
Total .....	49,601,708	Total .....	49,601,708

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Receipts.	Withdrawals.
1915.		
July 8, Thursday ...	Nil.	68,000 bars.
" 9, Friday ...	Nil.	247,000 Foreign coin.
" 10, Saturday ...	Nil.	202,000 bars.
" 12, Monday ...	125,000 sovs.*	Nil.
" 13, Tuesday ...	25,000 sovs.*	Nil.
" 14, Wednesday ...	124,000 bars.	Nil.
Total for week ...	274,000	517,000
Balance ...	[243,000 Out for week.]	
July 15, Thursday ...	677,000 bars.	Nil.
" 16, Friday ...	Nil.	Nil.

\* Released on Miscellaneous Account.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£30.3	£29.3	£29.4	£29.3	£34.5
Public Deposits .....	9.7	17.6	10.4	13.3	52.9
Other Deposits .....	44.4	41.4	40.7	42.5	158.0
Government Securities .....	16.7	13.9	12.7	11.0	51.7
Other Securities .....	29.0	32.9	29.1	33.6	140.0
Reserve .....	26.4	30.1	27.3	29.2	37.1
Ratio to Liabilities .....	45.4%	50.98%	53.35%	52.28%	17.58%
Bullion (both Departments) ...	38.2	40.9	38.2	40.0	53.1
Money:—					
Bank of England Rate .....	2½%	3%	4½%	3%	5%
Bank of France Rate .....	3%	3%	4%	3½%	5%
Rate 3 months' Bills London ...	1½%	3%	3½-4%	2½-3%	5%
Exchanges:					
Paris Cheque .....	25 14½	25 24½	25 24½	25 16½	26 55
Hamburg 8 days .....	20 47	20 48	20 46	20 49	—
New York 60 days .....	4 85½	4 84-70	4 83-10	4 85-15	4 72½
Bombay Telegraphic Transfers	1/4½	1/4½	1/3½	1/3½	1/3½
Prices:					
Consols 2½ % Cash .....	90½	74½	73	75½	65
French Rente 3 % Money .....	89 22½	92 20	82 42	82 72	69 10
Silver, London spot .....	-127½	-127½	-127½	-125½	-122½
Wheat, Gazette average .....	32½	38 3	3½	34 2	50½
Cotton, Mid. Upland .....	-15-97	-17-20	-16-72	-17-39	-16-15
Iron, Scotch pig .....	49/4½	63/1½	64/0	57/4½	73/0

## ARGENTINA.—Gold in Caja de Conversion.

June 16, 1915 .....	Pesos 228,749,662
June 9, 1915 .....	228,332,792
Dec. 31, 1914 .....	221,703,321
Dec. 31, 1913 .....	233,629,114
July 18, 1913 (maximum) ..	286,831,800

## BRAZIL.—Gold in Caixa de Conversão.

June 19, 1915 .....	25,972,149
June 12, 1915 .....	6,248,395
Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	18,400,501
Feb. 19, 1913 (maximum) ..	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914 ...	—	—	£4,352	£8,197	£786	£8,693	£47
May 31, 1915 ...	£5,947	£320	6,267	5,322	2,294	11,588	555
June 30, 1915 ...	6,950	318	6,266	5,672	2,187	11,944	710
June 30, 1914 ...	—	—	4,585	5,303	1,102	8,879	264
June 30, 1913 ...	—	—	4,350	5,163	1,180	8,638	217

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circula-tion.	Public Deposits.	Private Deposits.
July 30, 1914 ...	£165,654	£25,013	£190,667	£97,768	£247,327	£15,302	£37,930
July 8, 1915 ...	157,799	14,766	172,565	10,443	493,130	2,684	95,356
July 15, 1915 ...	159,459	14,701	174,160	10,715	497,938	3,866	95,610
July 16, 1914 ...	163,707	26,407	190,214	84,632	241,787	11,598	37,161
July 17, 1913 ...	133,147	24,954	158,101	62,972	222,899	10,948	24,899

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circula-tion.	Deposits.
July 23, '14 ...	£67,843	£16,727	£84,570	£5,279	£40,055	£94,545	£47,198
June 30, '15 ...	119,380	1,337	121,717	22,335	246,671	292,017	89,965
July 7, '15 ...	119,548	2,244	121,790	10,282	244,751	280,181	86,878
July 7, '14 ...	65,555	15,737	81,292	3,711	51,804	109,615	41,858
July 7, '13 ...	54,975	13,600	68,575	2,215	69,291	106,801	32,953

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	De-posits.
Aug. 1, 1914 ...	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437
July 3, 1915 ...	30,023	146	30,169	6,207	9,364	41,943	2,953
July 10, 1915 ...	30,553	150	30,708	6,157	8,930	42,030	3,095
July 11, 1914 ...	13,344	854	13,998	7,970	5,463	26,751	473
July 12, 1913 ...	12,106	641	12,747	7,872	6,982	26,647	784

ITALY.	Gold.	Cash-Silver.	Total.	Cash.*	Loans & Discs.	Circulation.	Deposits.
July 31, '14 ...	—	—	£48,456	—	£25,017	£69,204	£8,887
May 31, '15 ...	£45,522	£4,849	50,371	5,869	49,123	114,189	29,663
June 10, '15 ...	45,622	4,805	50,427	4,801	45,228	115,363	31,538
June 10, '14 ...	—	—	£3,787	—	19,148	61,682	8,160
June 10, '13 ...	—	—	50,213	—	18,715	60,996	7,511

\* Including foreign gold bills, State notes, and small change.

N. YORK BANKS & TRUSTS.	Own Vaults.	Reserve In Depositories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
Aug. 1, '14 ...	—	—	£89,888	£411,238	£387,165	£8,316	1,720
July 3, '15 ...	£89,904	£31,528	121,430	503,236	524,040	7,576	35,608
July 10, '15 ...	84,768	32,296	117,062	509,632	525,972	7,580	30,814
July 11, '14 ...	—	—	90,753	420,052	398,192	8,314	1,436
July 12, '13 ...	—	—	84,966	385,759	358,009	9,320	3,681

NORWAY.	Gold.	Balance Abroad.	Govt. Securities.	Dis-counts & Loans.	Circula-tion.	Deposits.
July 31, 1914 ...	£2,960	£1,678	£493	£4,868	£6,752	£793
June 30, 1915 ...	3,531	3,211	638	4,327	8,082	1,137
July 7, 1915 ...	3,598	3,216	637	4,348	8,115	1,114
July 7, 1914 ...	3,016	1,617	503	4,603	6,822	537
July 7, 1913 ...	2,593	1,478	503	4,341	6,266	343

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circula-tion.	Total Deposits.
July 21, '14 ...	£174,509	£7,393	£181,892	£6,599	£76,081	£163,411	£109,911
June 21, '15 ...	168,203	5,612	173,815	7,222	279,395	351,778	152,359
June 29, '15 ...	168,578	5,550	174,128	8,743	274,615	353,257	145,655
June 29, '14 ...	178,498	7,322	183,820	7,164	76,506	162,836	108,832
June 29, '13 ...	160,356	7,717	168,073	5,371	90,390	147,129	114,631

SPAIN.	Gold.	Cash-Silver.	Total.	Loans, &c.	Spanish 4 %	Circula-tion.	Deposits, &c.
Aug. 1, '14 ...	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955
July 3, '15 ...	27,595	29,685	57,280	42,112	13,777	79,875	27,533
July 10, '15 ...	27,632	29,563	57,195	42,000	13,777	80,375	27,926
July 12, '14 ...	21,394	29,033	50,427	40,516	13,777	76,952	19,361
July 11, '13 ...	18,327	29,836	48,163	38,918	13,777	75,428	17,050

SWEDEN.	Gold.	Balance Abroad.	Govt. Secs.	Dis-counts & Loans.	Circula-tion.	Deposits.
Aug. 1, '14 ...	£5,717	£8,150	£1,555	£7,495	£13,432	£3,903
June 26, '15 ...	6,302	4,533	2,769	7,479	15,073	4,387
July 3, '15 ...	6,300	4,525	2,732	7,918	15,920	4,180
July 4, '14 ...	5,877	6,288	1,556	6,110	12,647	3,514
July 5, '13 ...	5,700	3,842	870	7,956	11,861	2,682

SWITZER-LAND.	Gold.	Cash-Silver.	Total.	Dis-counts & Advances.	Circula-tion.	De-posits.
July 31, 1914 ...	£7,675	£238	£7,913	£10,391	£16,371	£3,128
June 30, 1915 ...	9,609	2,163	11,772	7,399	16,902	2,976
July 7, 1915 ...	9,601	2,183	11,784	7,117	16,399	3,317
July 7, 1914 ...	7,054	663	7,717	5,111	11,083	1,646
July 7, 1913 ...	6,779	1,015	7,794	5,112	11,028	1,713

U.S. STATES FED. RES. BANKS.	Cash.		Loans and Discounts.	Reserve Deposits.	Circu- lation.	Total Re- sources.	Gold Res. against Net Liabilities.
	Gold Coin and Certs.	Total.					
June 11, 1915...	\$49,246	\$58,173	\$7,201	\$59,931	\$2,420	\$74,256	82.9%
June 18, 1915...	49,304	59,087	7,118	59,872	2,420	74,068	81.3%
June 25, 1915...	51,037	60,607	7,275	62,270	2,623	76,291	80.8%

## III.—PUBLIC INCOME AND EXPENDITURE.

[000's of £.]

	Revenue	Total Income	Expenditure	Surplus	Treasury Balance	Treasury Receipts
1915.	£	£	£	£	£	£
Week to June 12...	2,860	15,094	19,972	2,117	106,169	5,079
June 19...	4,747	18,444	32,140	1,893	87,889	18,289
June 30...	3,914	27,457	28,581	1,124	67,634	20,186
July 10...	6,122	8,839	36,770	4,789	40,529	36,024
Aug. since Apr. 1, '15	57,922	29,871	234,356	88,916	343,298	36,024
Total to July 11, '15	46,518	47,948	43,084	1,330	5,483	2,900

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

LONDON ON—	July 15, '15	July 8, '15	July 1, '15	June 24, '15
Holland—3 mos.	12 3	12 3	12 3	12 2 1/2
—Cable	11 92	11 90 1/2	11 94 1/2	11 93 1/2
Italy—3 mos.	28 65	28 60	28 85	28 85
—Cable	29 25	28 20	28 45	28 45
Lisbon & Oporto do.	54 1/2	54 1/2	54 1/2	54 1/2
New York do.	4 77 1/2	4 77 1/2	4 77 1/2	4 77 1/2
—Cheques	4 78 1/2	4 78 1/2	4 78 1/2	4 78 1/2
Paris—3 mos.	27 07 1/2	27 45	27 57 1/2	28 56
—Cable	26 07 1/2	27 05	27 20	28 16
Petrograd do.	137 1/2	131	129	125
Scandinavia do.	18 70	18 16 1/2	18 25	18 10
Spain (Bank places) 3 mos.	46 1/2	45 1/2	44 1/2	45 1/2
—Cable	25 05	25 57 1/2	26 00	25 62 1/2
Switzerland—3 mos.	26 05	26 17 1/2	26 30	26 35
—Cable	25 65	25 77 1/2	25 90	25 47 1/2

## Foreign Rates of Exchange on London, &amp;c.

	July 16, '15	July 9, '15	July 2, '15	June 25, '15
Alexandria Sight	97 1/2	97 1/2	97 1/2	97 1/2
Amsterdam Sight	11d. 89c.	11d. 90c.	11d. 93 1/2c.	12d. 02 1/2c.
Bombay Transfers	1s. 3 1/4d.	1s. 3 1/4d.	1s. 3 1/4d.	1s. 3 1/4d.
Buenos Ayres 90 days	48 1/2	48 1/2	48 1/2	48 1/2
Calcutta Transfers	1s. 3 1/4d.	1s. 3 1/4d.	1s. 3 1/4d.	1s. 3 1/4d.
Christiana Sight	18kr. 55	18kr. 20	18kr. 17 1/2	18kr. 12 1/2
Copenhagen Sight	18kr. 55	18kr. 20	18kr. 17 1/2	18kr. 12 1/2
Hong Kong Transfers	1s. 9 1/4d.	1s. 9 1/4d.	1s. 9 1/4d.	1s. 9 1/4d.
Italy Sight	29 1/2	29 1/2	29 1/2	29 1/2
Lisbon Sight	36	36 1/2	36 1/2	36 1/2
Madrid Sight	25p. 05	25p. 55	25p. 65	25p. 67 1/2
Montevideo 90 days	52 1/2	52 1/2	52 1/2	52 1/2
Montreal Cables	84 8 1/2	84 8 1/2	84 8 1/2	84 8 1/2
New York Sight	84 76 1/2	84 76 1/2	84 76 1/2	84 77 1/2
—60 days	84 72 1/2	84 72 1/2	84 72 1/2	84 73 1/2
—on Paris	5 58 1/2	5 64 1/2	5 65 1/2	5 50 1/2
—on Berlin	81 1/2	81 1/2	81 1/2	81 1/2
—on Vienna	15 10 1/2	15 12 1/2	15 12 1/2	15 10 1/2
—on Amst'dm	40 1/2	40 1/2	39 1/2	39 1/2
—on Mexico Silver \$	36 1/2	36 1/2	37 1/2	37 1/2
Paris—Cheques	25 60c.	25 67 1/2c.	25 67 1/2c.	25 67 1/2c.
Petrograd Sight	138	131 1/2	127 1/2	125
Rio de Janeiro 90 days	13d.	12 1/2	12 1/2	12 1/2
Shanghai Transfers	2s. 2 1/2d.	2s. 2 1/2d.	2s. 3 1/2d.	2s. 3 1/2d.
Stockholm Sight	18kr. 55	18kr. 20	18kr. 17 1/2	18kr. 12 1/2
Switzerland Sight	25 65c.	25 60c.	25 65c.	25 60c.
Valparaiso 90 days	8 1/2	8 1/2	7 3/4	7 3/4
Bar Gold, standard, per oz.	77 1/2	77 1/2	77 1/2	77 1/2
Bar Silver (.925) per oz.	22 1/2	22 1/2	22 1/2	23 1/2

• Previous day's rates. † Foreign exchanges current in New York, according to cable advices from Irving National Bank of that city.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*
	1915	£	£	£	£
BIRMINGHAM...	July 10	1,930,497	+ 621,433	44,254,312	+ 19,377
BRISTOL...	" 10	816,000	+ 68,000	21,237,000	+ 338,000
DUBLIN...	" 10	4,316,800	+ 531,200	100,413,800	+ 7,111,400
LEEDS...	" 10	744,948	+ 331,966	17,481,482	+ 2,901,757
LIVERPOOL...	" 10	396,154	+ 163,743	10,943,409	+ 2,175,169
MANCHESTER...	" 10	6,267,235	+ 943,261	144,883,911	+ 10,011,317
NEWCASTLE...	" 10	7,145,654	+ 15,499	189,575,501	+ 19,869,838
NOTTINGHAM...	" 10	1,430,000	+ 613,000	38,650,300	+ 5,076,200
STREETFIELD...	" 10	454,708	+ 23,945	9,700,245	+ 1,049,822
LONDON—1915.	" 10	504,781	+ 92,905	16,295,575	+ 1,353,925
TOWN...	July 14	234,932	- 73,521	5,514,217	- 2,727,049
METROPOLITAN...	" 14	20,939	+ 2,085	505,278	+ 16,216
COUNTRY...	" 14	33,270	+ 4,375	821,801	+ 54,819
TOTAL...	" 14	289,141	- 67,031	6,841,296	- 2,655,014

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH" OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1915	1915	1915
£	£	£
June 11	38,303	34,710
June 25	45,083	39,054
July 14	64,805	44,030
1915 Agg.	531,360	690,226
1914 Agg.	327,780	187,806

\* Compared with a year ago.

## VI.—FREIGHTS.

According to Messrs. Farrer, Groves and Company, the following are the quotations for representative steam freights:—

HOMEWARDS.	1915.	1914.	Homewards—continued.	1915.	1914.
Alexandria to London/Hull	—	—	U.S. Atl. Ports to U.K.	—	—
Australia to U.K. or Cont.	—	17/0	Cont. (grain)	8/6	2/1 1/2
Azoff to L.H.A.R.	—	8/3	N.O. to L.H. (cotton)	—	—
Bombay to p.p.	52/8 1/2	14/6	N.O. to U.K. Cont. (grain)	9/0	—
Bombay to p.p.	—	20/0	OUTWARDS.—Cardiff to	—	—
Calcutta to p.p.	—	—	Bomb. Cal. Port River St. Vin.	—	—
Danube to A.R.	—	—	bay, omba. Said, Plate, cent.	—	—
Odessa to L.H.A.R.	—	6/9	1915... (Waiting settlement of Welsh	—	—
River Plate to U.K. Cont.	52/8	12/0	coal dispute.)	—	—
U.S. Atl. Ports to L.H. (cotton)	—	32/8	1914... —	10/3	7/3

## VII.—PRICES OF WHOLESALE COMMODITIES.

Applicable to the position at date of issue, unless otherwise stated. Prices are in pounds per ton, unless otherwise stated.

	1915.	1914.	1913.
METALS, MINERALS, &c.			
Iron—Scottish pig, warranted	73/0	57 1/4	64/0
—Middlesbrough warranted	67 1/2	51/4	54 1/2
—Hematite warrants	95/0	61/0	73 0
—Staffordshire bars, London	212	28 10	210
—Common bars	211 12 6	26 10	209
—Stock, Middlesbrough	147/32 1/2	80/316	203/544
Steel Rails—	29 2/8	25 17/8	26 12 6
Copper—Standard	275 10	281 2 6	263 7 6
—Stock, Standard	38/04 1/2	26/670	28/142
Tin—English ingots	217 1/2	214 1/2	218 1/2
—Stock, Standard	217 1/2	214 1/2	218 1/2
Tinplate—Coke I.O.	18/10—19/0	12 0	13 1/2
Lead—Soft Foreign	224 12 6	219 5	220
Spelter—Ord. Foreign	2102	221 7 6	220 10
Quicksilver—(75lb.)	218	26 15	27 5
Aluminium	2150—2160	222—234	233—230
Antimony—Refined	2120—2130	228—228	231 10—232
Coal—Steam (best) Cardiff	nom.	21 6	20/9
—(best) Newcastle	22/0	15/3	15/6

## CHEMICALS, OILS, &amp;c.

Nitrate of Soda—Chemical	13/6	10/6	11 1/2
Soda—Crystals ex ship	22 2/8—22 5	22 2/8—22 5	22 2/8—22 5
Cochineal—Tenerife Silver	2/1	1/10—2/0	1/11—2/0
Copra—Malay & Straits	223 10	223 15—224 7 6	230/4
Gambier—Good marks	33 6	16 10 1/2	17 3/4
Indigo—Bengal good to fine	13/8—15/0	3/2—3/8	3/0—3/8
Linseed—Spot, barrels	228 5	225 2 6	225 10
Linseed—Calcutta, spot	410 1/2	51 6	46 0
Olive Oil—Spanish	232—254	243—250	247—248
Palm Oil—Lagos	232 10	231 10	235
Petroleum—American	78 1/2	77 1/2	78 1/2
Rape Oil—Refined English	238—240	232	231 5
Soya Oil	223	224 5	225 12 6
Tallow—Aust. mixed	34 9	28/9—32/9	34/4 1/2
Turpentine—Amer. Spirit	37/0	34 0	27/9
Rape Seed—Toria	51/0	60/0	47/6
Rubber—Para, spot	2/6 1/2	2/10 1/2	3/10
—Fine plantation	2/6 1/2	2/2 1/2	2/9 1/2
—World's Vis. up (all kinds) Feb.	25/005	22/202	17/583
Shellac—T. N. Orange, fair	59/0—59/0	63/0—64/0	99/0—90/0

## TEXTILES.

Cotton—Middling Upland	-5/15	-7/39	-6/72
—Egyptian good fair	-6 95	-7/85	-9/30
—Perambour, fair	-5/63 1/2	-7/65	-6/83
—Mid. Upl. New York	9/10c.	13/25c.	12/35c.
—Stock, Liverpool, July 9	1,692/370	914,900	895,570
Flax—Petrograd, Yarpol	256 10	228	232 10
Hemp—N. Zealand, good, f. q. lity.	231 10	228	230
—Manila, fair strips	237	228	229 10
Jute—First Marks, spot	224 10	227 17 6	228 12/8
—Red S.C.	222 10	225 17 6	226
Silk—Blue Elephant	8 9	11 6—11 9	10/9—11/0
Wool—Pt. Philip unwashed av. lb.	1/0—1/1	1/11—1/10	1/11—1/10
—Linen Half Hosiery	1 6 1/2	1 7 1/2	1 6 1/2
Hides—English Ox, 90lb. cover lb.	7/11—1 0 1/2	6/1 7 1/2	6/1 6 1/2
Leather—Dressing H. laces	2/1—2/7	1/4—1/8	1/4—1/8

## VEG. FOOD, CORN, &amp;c.

Wheat—Village U.S. July 12	7,543,000	15,578,000	31,874,000
—Red, price, N.Y. 60lb.	144c.	95c.	95 1/2c.
—English, Guelph, aver. 480lb. qr.	50 1	34 2	33 4
Flour—Lon. White, av. 40lb. qr.	44 0	29 6	31 6
Barley—Eng. Gae, aver. 40lb. qr.	34 7	24 9	25 10
Oats—Eng. Gae, aver. 32lb. qr.	31 6	20 0	19 4
Maize—N.Y. (white) 56lb.	87c.	77 1/2c.	69 1/2c.
—Amer. mixed, Liverpool 100lb.	8 2	5 7	4 0
—La Plata	31/0	24 0	23 6
Potatoes—Kents	75/0—80/0	70/0—75/0	92/6
Rice—Imports since Jan. 1	16,727	7,143	7,732
—Deliveries do.	22,873	10,685	9,763
—Stock	13,120	8,237	5,329
—Price, Basmati	16 6	6/10—7/1 1/2	7/7 1/2—7/10 1/2
Tapioea—Pearl, medium	18/6—23/0	14/0—17/6	17/0—24/0
Hay—Best	97 6—107 6	82 6	95 0—108 0
Hops—English	25 5—25 15	26 5—27	25 5—26 5

## ANIMAL FOOD.

Beef—Argen. chilled hndqrs. 8lb.	5 9—5 11	4/0—4 4	3/8—4 0
—Scotch sides	6 8	4 6—5 0	4/10—5 2
—English	6 0—6 4	4 2—4 5	4 4—4 7
Mutton—Scotch	6/4—6/8	5/8—6/0	5/4—5 8
—English wethers	5/8—6/0	4/8—5/4	4 6—5 0
—New Zealand fresh	4/7—5/0	2/4—3/2	2/9—3/2
Pork—English	5 4—6 0	3 8—4 2	4 6—5 2
Bacon—Irish	88 0—95 0	64 0—76 0	80 0—89 0
—Danish	88 0—95 0	64 0—74 0	76 0—85 0
Hams—Amer. long cut	72 0—76 0	75 0—80 0	84 0—83 0
—short cut	63 0—70 0	71 0—75 0	82 0—86 0
Lard—Amer. palis	44/9—46 3	52/6—53/0	59/9—60/9
Butter—Danish	155 0—160 0	128 0—128 0	120 0—122 0
—Siberian	118 0—132 0	98 0—103 0	90 0—100 0
—French	116 0—142 0	104 0—114 0	88 0—108 0
—New Zealand	—	112 0—118 0	114 0—118 0
—Australian	134 0—142 0	100 0—114 0	90 0—110 0
Cheese—Canadian	80 0—84 0	62 0—63 6	64 0—66 0
—New Zealand	82 0—86 0	65 0—65 6	66 0—67 0

## SUGAR, COFFEE, TEA, &amp;c.

Sugar—Imports since Jan. 1 tons	322,532	437,873	498,444
—Deliveries do. .... tons	465,583	407,756	445,190
—Stock ..... tons	87,284	144,652	109,126
—Price, Java, 96° Pol. .... cwt.	19 6	10 3	10/8
—Mauritius, crystals ..... cwt.	24/0—26/0	12/6—14/0	15/3—15/8
—Tate's Cubes, No. 1 ..... cwt.	31 0	18 0	18 0
Coffee—Imports since Jan. 1 tons	40,785	37,110	27,061
—Home consumption do. .... tons	11,969	8,647	8,681
—Exports do. .... tons	17,092	16,286	9,956
—Stock ..... tons	24,735	22,655	18,806
—Price Costa Rica g.d. to fine cwt.	78 0—85 0	80 0—93 0	78 0—83 6
—Brazil (Santos) spot ..... cwt.	36 6	42 0	41 0
Tea—Imports (for 6 months) lb.	183,860,760	123,230,277	117,450,581
—Home consumption do. .... lb.	186,499,597	155,447,972	149,687,895
—Exports do. .... lb.	29,968,213	26,561,785	27,098,250
—Stock, June 30 ..... lb.	79,617,000	77,436,000	77,099,000
—Price, Indian, Pek. Song, good lb.	1/01	7/81	7/81
—Ceylon, Pek. Song. Ord. .... lb.	1/0	7/8	7/81
—Common Congou ..... lb.	7/91	7/81	7/41—5
Cocoa—Grenada, good to fine cwt.	78 0—80 0	82 0—85 0	83 0—71 0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Bel. & O. Down	July 9	80	—	£4,290	+	221	96,098	+ 10,936
Cork Ban. & S.O.	July 9	103	—	2,205	+	56	55,215	+ 2,856
Dublin & S.E.	July 9	160	—	5,932	—	584	141,842	+ 3,497
Gt. Northern	July 9	681	—	26,095	+	2,235	603,480	+ 22,330
Gt. S. & Western	July 9	1,130	—	33,723	—	2,336	856,529	+ 87,159
Mid. Gt. West.	July 9	630	—	12,347	+	1,040	337,283	+ 10,410

\* On August 6, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Assam Bengal	June 5	862	+11	1,31,000	+	6,122	12,56,000	+ 44,961
Barsi Light	June 19	118	—	16,900	—	3,800	2,84,900	+ 84,700
Bengal & N.W.	June 12	2,041	+13	4,10,820	—	59,219	42,66,967	+ 7,22,304
Bengal Doorga	June 12	163	—	31,747	—	3,185	2,51,925	+ 32,130
Beng. Nagpur	June 19	2,685	+ 7	7,75,000	+	10,000	93,10,000	+ 2,62,000
Bomb. Baroda	July 10	2,859	+32	9,95,000	+	92,000	1,83,62,000	+ 7,04,000
Burma	June 12	1,342	—	3,81,676	—	58,261	43,73,586	+ 7,81,429
East Indian	July 10	2,718	—	20,53,000	—	54,000	3,17,53,000	+ 6,04,000
Gt. Indian Pen.	July 10	2,981	+15	12,65,700	—	48,900	2,41,99,169	+ 15,66,283
Madras & S.M.	June 12	3,132	—	9,35,000	—	3,876	1,10,41,499	+ 17,436
Nizam's Guar.	June 12	797	—	1,80,045	—	61,368	21,53,196	+ 5,70,262
Roh. & Kumaon	June 12	571	+ 2	78,418	—	13,497	8,31,808	+ 49,086
South Indian	June 12	1,763	+10	5,72,377	—	58,031	59,56,057	+ 4,37,780
South Punjab	M. of Mar.	923	—	6,89,429	—	1,15,571	37,46,996	+ 6,23,212

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Can. Northern	July 7	4,985	+295	\$258,800	—	103,200	361,007	+ 171,726
Can. Pacific	July 7	12,921	+882	1,866,000	—	677,000	3,964,877	+ 391,669
Gd. Trk. Pacific	July 7	1,104	—	£11,533	—	11,444	742,284	+ 6,016
Grand Trunk	July 7	4,008	—	164,554	—	13,444	258,253	+ 6,182
Det. Grnd. W.	July 7	338	—	27,863	—	760	304,490	+ 202,735
Grd. Trk. Ha.	July 7	189	—	11,065	—	222	93,781	+ 43,983
Mashonaland	M. of May	751	—	36,180	—	25,885	44,468	+ 211
Mid. W. Aust.	M. of May	277	—	5,795	—	4,952	483,135	+ 200,962
New Cape Cent.	June 12	205	—	1,517	—	125	—	—
Rhodesia Rlys.	M. of May	1,397	—	61,504	—	26,653	—	—

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Alcoy & Gandia	July 10	33	—	Pa. 13,000	—	4,000	367,900	+ 2,050
Antofagasta	July 10	819	—	£ 27,720	—	7,200	593,985	+ 404,789
Arauco	M. of May	844	—	£ 6,150	—	2,700	10,162	—
Arg. N. East	July 10	752	+ 85	5,353	—	272	7,331	+ 289
Arg. Transand	June 28	111	—	£ 150	—	70	47,130	+ 46,780
Bolivar	M. of June	110	—	£ 8,250	—	1,648	86,169	+ 25,698
Brazil	M. of Apr.	3,362	—	M 3,080,000	—	239,757	12,681,000	+ 787,340
Paulista	M. of Apr.	721	—	M 1,550,000	—	59,123	7,350,000	+ 339,682
Mogyana	M. of Apr.	1,131	+ 57	M 1,313,000	—	125,225	8,570,000	+ 517,804
B.A. & Pacific	July 10	3,535	+ 29	£ 80,000	—	4,000	112,000	+ 9,000
B.A. Gt. So.	July 11	3,792	+ 63	£ 77,000	—	1,000	120,908	+ 12,033
B.A. Western	July 11	1,887	+ 75	£ 43,000	—	3,000	61,000	+ 4,000
Cent. Argentine	July 10	3,307	+ 45	£ 112,700	—	3,700	190,000	+ 5,700
Cent. Uruguay	July 10	271	—	£ 10,759	—	2,388	15,674	+ 1,516
" (B. Ext.)	July 10	311	—	£ 3,381	—	745	4,853	+ 611
" (N. Ext.)	July 10	185	—	£ 1,915	—	639	2,584	+ 379
" (W. Ext.)	July 10	211	—	£ 1,141	—	66	1,628	+ 222
Colomb. Nat.	M. of May	86	—	£ 9,512	—	2,928	47,412	+ 1,155
Col. Rys. & Nav.	M. of May	854	—	£ 19,809	—	6,677	224,066	+ 52,213
Coord. Central	July 10	1,186	—	£ 35,500	—	1,345	51,200	+ 8,595
Cuban Central	July 10	354	+ 9	£ 7,005	—	315	10,733	+ 493
Dorada Ext.	M. of June	71	—	£ 8,400	—	1,400	44,500	+ 4,100
Egyptian Delta	June 20	619	—	£ 3,784	—	1,824	30,666	+ 16,718
Entre Rios	July 10	730	—	£ 8,100	—	900	11,900	+ 3,500
Gt. S. of Spain	June 26	104	—	Pa. 62,890	—	5,535	1,451,056	+ 340,792
Gt. W. Brazil	July 10	1,010	—	£ 6,700	—	2,800	289,800	+ 94,600
La Guadalupe	M. of June	23	—	£ 6,250	—	1,760	42,250	+ 17,250
Leopoldina	July 10	1,806	+ 54	£ 25,713	—	11,461	778,274	+ 92,907
Manila North	July 10	315	+ 10	£ 4,385	—	1,105	165,370	+ 31,197
" South	July 10	266	+ 91	£ 3,586	—	249	108,069	+ 9,639
Mid. Uruguay	M. of June	319	—	£ 10,532	—	680	113,751	+ 14,536
Nitrato (Gwks.)	June 30	366	—	£ 13,700	—	13,397	130,014	+ 226,342
N.W. Uruguay	M. of June	113	—	£ 22,300	—	333	232,228	+ 66,325
Paraguay Cent.	July 10	255	—	£ 379,000	—	108,000	538,000	+ 119,000
Peruvian Corp.	M. of June	1,059	—	£ 759,374	—	244,044	8,359,705	+ 4,171,249
Puerto Cabello	M. of May	24	—	£ 3,737	—	513	19,858	+ 1,392
Salvador	July 10	100	—	£ 28,000	—	8,000	50,750	+ 13,250
San Paulo	July 4	1,534	—	£ 26,497	—	4,496	132,888	+ 176,687
Taita	M. of June	184	—	£ 10,500	—	14,220	34,163	+ 2,076
U. of Havana	July 10	681	—	£ 23,725	—	3,328	18,266	+ 7,862
Urug. Northern	M. of June	73	—	£ 1,936	—	132	7,407	+ 1,786
W. of Havana	July 10	147	—	£ 5,054	—	759	43,243	+ 42,578
Zaira & Hlva.	M. of June	112	—	£ 7,061	—	6,058	—	—

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine	July 8	3,694	+21	£ 52,553	—	1,218	1,385,244	+ 126,266
Auckland (4 wks.)	June 4	251	—	£ 20,511	—	408	248,109	+ 798
Brazilian Traction	M. of May	—	—	M. 6,870,110	—	489,280	31,092,170	+ 836,882
Brisbane Electric	M. of June	30	—	£ 29,880	—	1,290	178,500	+ 9,525
Bristol	July 9	31	—	£ 10,102	—	177	250,555	+ 20,661
British Columbia	M. of May	242	+ 61	£ 512,568	—	165,746	6,808,470	+ 1,320,434
Calcutta	July 10	351	—	£ 70,582	—	246	17,87,597	+ 86,559
Cape Electric	M. of June	42	—	£ 16,405	—	451	202,615	+ 2,224
Carth. & Herr.	M. of June	9	—	£ 2,069	—	654	10,648	+ 3,148
Cork Electric	July 8	91	—	£ 1,067	—	182	30,092	+ 228
Dublin United	July 9	541	—	£ 6,421	—	64	163,147	+ 6,019
Havana Electric	June 27	—	—	£ 52,605	—	701	1,311,770	+ 80,608
Isle of Thanet	July 10	19	-12	£ 502	—	833	13,402	+ 6,135
Kalgoolie	M. of May	204	—	£ 3,269	—	244	13,472	+ 642
Lanarkshire	July 8	284	—	£ 2,114	—	141	50,285	+ 1,722
London C.O.	July 7	1,411	-4	£ 47,297	—	2,429	577,697	+ 45,303
Madras Electric	July 15	—	—	£ 120,476	—	18,125	609,196	+ 91,873
Provincial	July 10	21	—	£ 2,424	—	18	33,058	+ 8,250
Rangoon Electric	M. of June	25	—	£ 4,997	—	61	29,745	+ 2,589
U. of Montevideo	M. of June	80	—	£ 24,268	—	3,783	226,692	+ 30,554
Yorks. W. Rding	July 11	24	—	£ 1,679	—	214	43,223	+ 2,508

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,701 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (M) Milreis. (\*) Compared with previous year. (†) Months. (‡) Track miles. (¶) Includes Detroit, Grand Haven and Milwaukee Railway. (‡‡) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
481 Cos. (000's omitted)	Apr. (e)	\$237,896	—	\$3,394	—
	10 mos. to Apr. (f)	2,443,973	—	187,320	—
Alabama Gt. Southern	Apr. 10 mos. to Apr.	414,000	—	13,000	—
		3,972,000	—	609,000	—
Ala. New Or. Tex. & Pac. :					
A. & Vicksburg	a May	128,000	—	12,000	—
	11 mos. to May	1,398,000	—	353,000	—
New Orleans & N.E. a	May	285,000	—	43,000	—
	11 mos. to May	3,267,000	—	633,000	—
Vicks. Shreve. & Pac. a	May	123,000	—	10,000	—
	11 mos. to May	1,298,000	—	428,000	—
Atchison, Top. & S. Pe. a	May	9,602,000	+	722,000	—
	11 mos. to May	107,713,000	+	8,876,000	—
Atlantic Coast Line	a May	2,597,000	—	458,000	—
	11 mos. to May	29,209,000	—	4,771,000	—
Baltimore & Ohio	b May	8,276,000	+	544,000	—
	11 mos. to May	83,152,000	—	8,051,000	—
Canadian Northern	b May	1,193,900	—	447,700	—
	11 mos. to May	16,024,300	—	2,021,000	—
Canadian Pacific	b May	7,261,000	—	2,635,000	—
	11 mos. to May	91,353,000	—	23,407,000	—
Chesapeake & Ohio	b May	3,523,000	+	459,000	—
	11 mos. to May	35,827,000	+	1,595,000	—
Chicago & N. Western	a May	3,696,000	—	290,000	—
	11 mos. to May	76,332,000	—	3,603,000	—
Chic. Burl. & Quincy	b Apr. 10 mos. to Apr.	6,689,000	—	4,000	—
		76,907,000	—	2,541,000	—
Chicago Great Western	b May	1,088,000	—	10,000	—
	11 mos. to May	12,739,000	—	445,000	—
Chic. Mil. & St. Paul	a May	7,244,000	+	133,000	—
	11 mos. to May	83,624,000	—	2,134,000	—
Chic. Rock I. & Pacific	a May	5,337,000	—	362,000	—
	11 mos. to May	65,288,000	—	2,816,000	—
Ch. St. P. Min. & Omaha	b May	1,311,000	—	32,000	—
	11 mos. to May	16,711,000	—	315,000	—
Clev. Cin. Chic. & St. L. a	May	2,954,000	—	203,000	—
	5 mos. to May	14,058,000	—	429,000	—
Colorado & Southern	a May	1,000,000	+	75,000	—
	11 mos. to May	13,082,000	—	840,000	—
Cuba Railroad	b May	541,000	—	78,000	—
	11 mos. to May	4,749,000	—	17,000	—
Delaware & Hudson	b May	1,879,000	—	24,000	—
	5 mos. to May	8,868,000	—	89,000	—
Denver & Rio Grande	a May	1,734,000	—	45,000	—
	11 mos. to May	19,957,000	—	1,811,000	—
Erie Railroad	a May	5,182,000	—	318,000	—
	5 mos. to May	24,177,000	—	1,046,000	—
Grand Trunk Railway	a May	6706,600	—	680,800	—
	5 mos. to May	3,271,450	—	339,800	—
Grand Trunk Western	a May	118,400	+	300	—
	5 mos. to May	685,300	—	650 Dr. 7,000	—
Great Northern	b May	14,802,000	—	1,185,000	—
	11 mos. to May	61,940,000	—	8,811,000	—
Hocking Valley	b May	518,000	—	76,000	—
	11 mos. to May	5,668,000	—	876,000	—
Illinois Central	a May	4,839,000	—	383,000	—
	11 mos. to May	67,230,000	—	3,861,000	—
Kansas City Southern	a May	832,000	—	66,000	—
	11 mos. to May	9,243,000	—	748,000	—
Lehigh Valley	a May	3,845,000	+	99,000	—
	11 mos. to May	35,891,000	—	645,000	—
Louisville & Nashville	a May	4,163,000	—	376,000	—
	11 mos. to May	47,431,000	—	8,019,000	—
Michigan Central	a May	2,814,000	—	158,000	—
	5 mos. to May	13,439,000	—	71,000	—
Min. St. P. (Soo) System	a May	2,051,000	—	26,000	—
	11 mos. to May	25,707,000	—	1,357,000	—
Miss. Kansas & Texas	b May	2,288,000	+	67,000	—
	11 mos. to May	30,520,000	—	938,000	—
Missouri Pacific	a May	4,634,000	—	107,000	—
	11 mos. to May	63,654,000	—	1,628,000	—
New York Central	a May	13,334,000	—	949,000	—
	5 mos. to May	61,646,000	—	1,725,000	—
N. Y. N. Haven & Hart. a	May	5,755,000	+	117,000	—
	11 mos. to May	59,051,000	—	2,556,000	—
N. Y. Ontario & Western	a May	713,000	—	68,000	—
	11 mos. to May	8,212,000	—	212,000	—
Norfolk & Western	a May	4,010,000	+	237,000	—
	11 mos. to May	38,608,000	—	2,298,000	—
Northern Pacific	a May	4,650,000	—	557,000	—
	11 mos. to May	67,836,000	—	6,803,000	—
Pennsylvania System :					
E. of Pittsburgh	a May	20,287,000	—	12,000	—
	5 mos. to May	91,261,000	—	4,341,000	—
W. of Pittsburgh	a May	9,254,000	+	64,000	—
	5 mos. to May	41,908,000	—	2,143,000	—
Pitts. O. C. & St. Louis	a May	3,182,000	+	15,000	—
	5 mos. to May	15,111,000	—	718,000	—
Phila. & Reading Ry.	b May	4,082,000	—	141,000	—
	11 mos. to May	43,405,000	—	3,178,000	—
Phila. & R. Coal & Iron	b May	2,297,000	—	635,000	—
	11 mos. to May	28,124,000	—	2,391,000	—
St. L. & San Francisco	a Apr. 10 mos. to Apr.	3,397,000	+	79,000	—
		37,148,000	—	2,091,000	—
Seaboard Air Line	a May	1,762,000	—	287,000	—
	11 mos. to May	19,667,000	—	3,817,000	—
Southern Pacific	a May	10,592,000	—	391,000	—
	11 mos. to May	117,902,000	—	9,074,000	—
Southern	a May	4,917,000	—	704,000	—
	11 mos. to May	67,356,000	—	8,063,000	—
Union Pacific	a May	6,584,000	—	254,000	—
	11 mos. to May	79,630,000	—	5,194,000	—
Wabash	b May	2,363,000	+	59,000	—
	11 mos. to May	26,767,000	—	1,083,000	—
Western Pacific	b Apr. 10 mos. to Apr.	440,000	—	9,000	—
		4,589,000	—	679,000	—



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# The Statist.

LONDON, SATURDAY, JULY 17, 1915.

## FINANCING THE WAR.

### £600,000,000 RAISED BY NEW LOAN.

In the matter of finance everything possible is being done by the British Government and by the British nation to prosecute this stupendous war with the utmost vigour. Every demand that has been made upon the Chancellor of the Exchequer for money for the Army or for the Navy has been instantly met, and whereas in the business world it is the practice of nearly everyone to defer their payments for goods by means of credit operations, the British Government provides money against its financial obligations in advance of the date the money is needed. Practically the whole cost of the war for the first twelve months, amounting to about £750,000,000, has already been met or provided for, and now the Government has already made preparations to pay the greater part of the proposed expenditure of upwards of £1,000,000,000 in the second year of war by means of the great loan, the lists of which were closed last week. The Chancellor of the Exchequer and the country are to be warmly congratulated upon the immense success of the second war loan. Certainly we ourselves, with all the faith that we have in the financial strength of the British people, and with our calculations of their wealth—calculations which some people consider excessive—never imagined that the British people would promise to provide the Government with some £600,000,000 of new money in a period of a little over three months. It is true that many people last week expected that the subscriptions for the loan would reach a still greater figure in consequence of the applications they had put in for themselves and on behalf of their customers having been from two to three times greater than the amounts they had asked for when the previous war loan of £350,000,000 was issued; but in spite of the enthusiasm which caused these excessive estimates to be made, and in which we ourselves shared, the amount actually subscribed is astonishingly great—certainly in excess of the expectations of the Chancellor of the Exchequer.

Never before have all sections of the community co-operated as they co-operated in making this loan the unprecedented success it has been. No less than 550,000 persons subscribed for £570,000,000 through the Bank of England, or an average of rather over £1,000 per head; while no fewer than 547,000 persons, up to Saturday last, had applied for a sum of £15,000,000 through the Post Office, an average of £27.6 per head. Thus no fewer than 1,100,000 persons have contributed to the success of the loan. Moreover, the applications through the Post Office are still coming in, and as it will be possible for the wage earners of the country to subscribe by means of scrip vouchers until nearly the end of the year it may ultimately be found that the amount subscribed will be a long way over £600,000,000.

the loan will bring in account has to be taken of the payment of £5 in cash in respect of any 3½% War stock that may be converted, and that this payment may bring in a substantial sum. Of course it is obvious that a great many more people than 1,100,000 can afford to contribute to war loans, but not much time has yet elapsed since the country was aware of the need for economy and the importance of everyone providing his or her contribution to the War in the matter of money.

The active educational campaign initiated by the Prime Minister at the Guildhall will, however, enable the whole nation to understand and to appreciate what is required, and the economy in expenditure that should result should bring in very large applications for the loan through the Post Office and should cause practically everyone in the country whose income is over the poverty line to assist in carrying on this great war.

The Prime Minister has announced this week that the Government has decided to appoint a Committee to be presided over by the Chancellor of the Exchequer, who will have associated with him competent colleagues from outside the Government to consider the question of retrenchment in Government expenditures. This inquiry is undoubtedly the direct outcome of Lord Midleton's suggestion in the House of Lords last week. It is of very great importance at the present time, when the national expenditures are so vast, that no waste whatever should occur in the public services, and it is probable that some savings can be effected in the Civil Service expenditures. But when we take into account the enormous amount of work that the war has thrown upon Government departments on the top of the additional labour which Parliament has placed upon the Civil Services in modern times, it is evident that the amount that can be saved is but a drop in the bucket in comparison with the sum that is needed. Indeed, the main advantage of the inquiry will probably come from the example it will set to the whole country to examine closely both public and private expenditures in order to discover where money is being wasted, and where efficiency can be increased. Any step assisting to this end is essential, and should be cordially welcomed.

Apart from the effect of the inquiry, both monetary and moral, we also expect important results to be obtained from the closer co-operation of the Treasury with the War Office in preventing waste in military expenditure. The work of providing the Army with food, with clothing, and with stores generally has been exceptionally well done. Probably no army has been more fully provided for in every way in respect of food, clothing, and housing than the great army brought together by Lord Kitchener. But in desiring that the Army should have everything it needed, too much provision appears to have been made. Consequently important results may come from a careful scrutiny of war expenditures jointly by the War Office and by the Treasury.

It is, however, evident that inquiry has already been made by the Minister of War as to the possibility of reducing avoidable waste, and it is possible that the steps which seemed so necessary a short time ago may have been taken already. Nevertheless, Mr. McKenna's statement to the House concerning the question of waste in the Army has excited general approval and approbation. He said: "I am sure the War Office is most anxious to put a stop to it, and is most ready to consult with the Treasury and devise any means of which they or the Treasury may be capable to put an end to it. No one wishes it, but we have to remember that the task which is now imposed upon the War Office is of a gigantic size. It is an improvised task, and the War Office has had of necessity to call in a vast number of men to aid them, not all of whom are geniuses, and some of whom may, consequently, from time to time, let the War Office down. But the general

work and the general attention to economy is, I believe, excellent, and it would be quite a mistake to suppose that there is any very great waste if the whole country is examined in its entirety. But still I recognise the force of what my hon. friend said, and I can assure him that I am going into that matter personally with Lord Kitchener, and every effort will be made to avoid any possible waste."

In considering the problem of financing the War which is now before the country, it is of very great importance that the various factors in the situation should receive their relative values. The country in the current year is called upon to raise a sum of nearly £1,000,000,000 for war purposes. Towards meeting this amount the normal savings of the country would provide about £400,000,000, and about £600,000,000 remain to be supplied. The income of the country has appreciably increased, however, owing to the War, and out of the greater income a substantial addition should be made to the savings of individuals apart altogether from abnormal economies. Therefore the country is called upon to make exceptional economies in its expenditure to the extent of about £500,000,000, and so far the Government has asked it to make these economies voluntarily. The response to the Government's recent request for money has been greater than anyone could have anticipated, and the promise of £600,000,000 of money which has now been made will give the Government sufficient money to carry on into 1916. Most of the money to meet the War Loan payments has, however, yet to be saved, as well as the balance of the money needed to provide for the war expenditure up to the close of March. In calculating that the War Loan will finance the Government until the end of January we have assumed that the £252,000,000 of Treasury bills now in issue will be renewed. It is probable, however, that a part of them will be presented for payment in order to enable persons who subscribed for the War Loan to pay their instalments, and, if this be the case, the War Loan will not carry the Government into next year, unless, of course, the Treasury bills that are cancelled are reissued after the War Loan has been paid up.

It may be found, however, that beyond the existing loan, and beyond the Treasury bills that may be reissued, the country may need an additional sum of £400,000,000 in order to cover the deficiency in this year's Budget. Such a sum must be provided by the economies of the whole country, and not merely by the persons who have subscribed for the Loan, and who have undertaken to pay up the instalments. Consequently, everything possible must be done that can be done on the one hand to increase the productive power of the nation, and on the other to cut down wasteful expenditures. To accomplish this purpose with some 3,000,000 of men in the Army it will be essential to utilise the services of women to the fullest extent possible. Last week we referred, in no captious or hostile spirit, to the need of the aristocratic and wealthy classes to do everything in their power to increase the production of the country, and suggested that the great landlords should endeavour, as far as possible, to bring all waste land into cultivation, so as to increase the output of agricultural produce. Moreover, they should do everything in their power to organise new labour as well as to encourage everyone they can influence to work harder and more efficiently. In the present crisis everyone, rich and poor alike, have shown their anxiety to do all that it is possible for them to do to assist in carrying on the War successfully. So far attention has been concentrated upon mitigating the sufferings of the wounded and assisting the Belgian refugees, and in this work the aristocratic and wealthy classes have performed, and are performing, services of very great value. A great deal more than this is, however, now needed. Persons possessing influence should not only convene and attend meetings for the purpose of instructing the country as to the need for economy, but should them-

selves carefully consider how they can assist the country to increase its production. It is quite impossible to indicate to anyone exactly the services he can perform for his country at the present time. It is for each one to consider most carefully and thoughtfully how far he can assist the country to attain these two objects—greater production and greater economy. Roughly speaking, the adverse trade balance of the country, as we showed last week, is between £400,000,000 and £500,000,000 per annum, with a tendency to increase as the great orders which the Government has placed abroad are completed and the goods are delivered. To cancel this great balance it is essential that exports should be increased and imports diminished, and this can only be done by everyone doing his share in increasing the productive power of the country, and at the same time curtailing consumption by means of economy.

## THE OUTLOOK.

It looks from the revived activity of the enemy both in France and in Belgium that considerable bodies of German troops have really been transferred from the Eastern to the Western theatre of operations. The incident is favourable to Russia. Russia, for reasons often explained, is not able quickly to largely reinforce her armies on the German and Austrian frontiers. Consequently, our want of munitions and the admirable strategic railways of Germany make it possible for her to transport troops backwards and forwards from one theatre of operations to the other. In so doing it is clear that, whatever may be the temporary advantages, the ultimate consequences must be disastrous in the highest degree. A stubborn, dogged, resistance with such troops as could be brought forward to each front would in any case have resulted in defeat. But when, owing to our unpreparedness, and to the existence of admirable strategic railways in Germany, the latter country is tempted to call up, not only men of proper fighting age, but young boys and greybeards as well, then the utter breakdown of Germany becomes certain. Probably the ruling classes are at last becoming aware of this. They had been so puffed up by the wonderful economic development of Germany that followed the war with France, by the very rapid growth of population, and by the consequent greatly increased military strength that, with their naturally braggart disposition, they came to believe themselves capable of overrunning the whole Continent. The spirit of brag is still alive, and is still making itself heard. But warning voices are also at work, and no doubt even the most confident a few months ago are now seriously apprehensive. They think, however, that the only chance of extricating themselves from their difficulties is offered by going on with their braggadocio and their threats. If they can only persuade the world that they are still confident, they argue with themselves, the world has been so long accustomed to take them at their own valuation that it will probably give in. They are all the more encouraged in this view by the immense number of Germans who are settled in the United States, and who clearly sympathise warmly with the Fatherland. The German authorities tell themselves that the people of the United States will think a great many times before they set the German-Americans at defiance. Consequently, they are blustering and almost insulting the American Government in their diplomatic correspondence. It is not for foreigners to say what ought to be the course taken by the American Government. We may very confidently leave to the American people themselves to decide what is the honourable course for the United States to take when the lives of its citizens and their property are sported with. The United States is a very great Power, and the attitude of Germany towards it is, therefore, all the more remarkable. But Germany is equally disregardful of the susceptibilities of other States. Her Press, for

example, is at the present moment bullying Roumania, and it is said that her Government has made communications to the Roumanian Government which, to say the least, must be unpleasant to a self-respecting people. If the reports are correct, the Roumanians will, no doubt, know how to take care of their own interests and their own dignity. At the same time the incident, especially when taken in connection with the tone adopted towards the United States, and towards the Dutch and the Scandinavians, indicates, as already said, that the conviction is spreading amongst the well-informed in Germany that she will not be able to continue the War very long. A people with a different mentality would, under those circumstances, see whether an arrangement could not be arrived at, at least with some of its enemies, and would try to placate neutrals who are outraged by past conduct. But the Germans are nothing if they are not brutal. Accordingly, the more desperate they grow the more hectoring they become. Despair, however, is proverbially a bad adviser, and the very fact that the Germans are taking counsel of Despair affords strong evidence that we are not very far from the end. We do not mean by this that we swallow all the stories that appear in the London Press calculated to please the London taste. It may, of course, be that great bankers have warned the Kaiser that Germany cannot hold out much longer. It may likewise be that the Kaiser is impressed, and, therefore, has made it publicly known that the War will not continue beyond October. But while we are not in a position to contradict any of those things, we are just as little disposed to accept them. We believe that the resources of Germany are being drawn upon in an extravagant way, and must before long give out. But it would be exceedingly unwise to accept tales which are calculated to meet our wishes.

### GENERAL BOTHA HONOURED.

PARLIAMENT on Tuesday honoured itself by honouring General Botha, the one military commander who, so far as the War has yet gone, has given evidence of exceptional strategic ability. In saying this we do not mean in the least to depreciate the exploits of the Japanese in Tsing-tao. Quite the contrary, the capture of Kiao-Chau was a brilliant affair, carried out promptly and efficiently. Nevertheless, we venture to think that what General Botha has done in South-West Africa bears stronger testimony to his exceptional military ability than anything that has been done elsewhere during the year now so rapidly drawing to a close. In the first place, it is to be recollected that South Africa was rent in twain by the rebellion of General Maritz; that, therefore, the South African Government was prevented from carrying out its operations in South-West Africa as promptly as it otherwise, no doubt, would have done; and that, consequently, the Germans were given additional time for preparation. Moreover, South-West Africa is a more difficult country in which to operate than Tsing-tao. In the first place, as Mr. Asquith was careful to point out, a great part of it consists of sandy desert, while the water supplies are scarce, and many of them, to the disgrace of the Germans, had been poisoned. The country, too, is very new. Roads and railways are few. And as a necessary consequence the Union forces were incommoded in every way. Still, the rapidity with which they moved bears the highest testimony to their military efficiency, as well as to the high qualities of their commander. It is worth noting in passing that Germany in making war upon her neighbours specially aimed at the acquisition of great colonies. It will be in the recollection of our readers that while she was willing to guarantee that she would take no part of France proper, supposing she was victorious, she refused to give any promise that she would not take the French colonies. It is perfectly manifest, there-

fore, that the aim of the German Government in plunging into this wicked and unprovoked War was to annex Belgium; to make France her humble instrument; and to acquire a great Colonial Empire. A year of hostilities has not quite elapsed, and practically the colonies possessed by Germany have been lost. Of course, we know they have not all been taken. But the greater number have gone, and the remainder most certainly will go. The loss of colonies will, when the War is over, prove the smallest of the misfortunes that will have befallen the German Empire; and the longer hostilities continue the more serious will be her disasters. She, with Austria-Hungary and Turkey, is attempting to fight a great coalition with aggregate populations many times outnumbering the populations of the three Empires referred to. She is doing the greater part of the fighting, and, in justice to her, it must be admitted that her military organisation has proved to be excellent. So, likewise, has the spirit of her people. But the more gallantly the people fight, and the longer belligerency continues, the more serious will be the ruin of Germany. So great a proportion of the male population of fighting age will have been either killed or disabled, or in one way or other seriously injured in health, that it is reasonably certain that Germany will not recover for a whole century. The progress of civilisation has been great since the Thirty Years' War. Probably, therefore, the recovery of Germany after this conflict will be quicker than it was after the Thirty Years' War. But in spite of all the progress that has been made, and the new inventions that are succeeding one another with such wonderful rapidity, it is impossible to improvise men; and the plain fact staring us in the face is that Germany is sacrificing her young men deliberately to her insane ambition. The next generation will be a very effete generation, and probably the generation following will leave much to desire. The very utmost that can be hoped for is that the third generation may have made considerable progress towards recovery.

The conquest of South-West Africa is a very great advantage to South Africa. It removes a restless, aggressive, plotting, and ambitious neighbour, and it gives assurance that the whole of South Africa will now become British. It is remarkable how rapidly the English-speaking peoples are spreading themselves over the globe. It has been manifest for a considerable time that North America, to say the least, is assured to them for the future. If Australia takes wise measures to encourage immigration, the island continent likewise will become a permanent English-speaking land. Now it seems clear that it is the destiny, likewise, of South Africa and of East Africa to be mainly English-speaking. The connection of Egypt with South Africa makes it requisite that the Germans should be removed permanently from German East Africa. Therefore there will remain in that continent in possession of large territories when the war is over only the British, and the Dutch, of course, the French, the Portuguese, and the Belgians. Portugal is a small and not advancing country. The Belgians will be engaged for a long time in repairing the horrible damage done to their mother country. In France population is stationary. We ourselves anticipate that this War will result in a steady recovery of France in all respects; that young men will marry earlier, because they will have greater faith in the future of their country, and that they will not be afraid of rearing large families. Still, it will take a considerable time before the population of France can become so numerous as to permit of a large outflow into the colonies. Until there is a large French outflow into the French colonies the French element cannot become really supreme and, consequently, the hold of France upon her colonies will be insecure. The United Kingdom will have, of course, a difficult period to pass through when peace returns. But it will be a brief as well as a temporarily difficult time. Population will continue

to grow, probably will receive a new impulse to grow. And the Colonies will be more eager than before to attract the best elements for settling among them. We expect to see, therefore, a very considerable emigration from the United Kingdom to the Colonies, and, consequently, a rapid increase in the colonial populations. The emigration will have to go chiefly from Great Britain; for Ireland has already been drained not merely of its surplus population, but even dangerously of its necessary population. In the interest of Ireland herself, therefore, it is to be hoped that the emigration will not be large. But from Great Britain there is everything to suggest that the emigration will be on a considerable scale; and, consequently, that the increase of the English-speaking element in the great colonies, where white men can work in the sun and prosper, will be steady and reasonably rapid. Everything, then, seems to point to the conclusion that the English-speaking peoples will, as one consequence of this War, grow more rapidly than previously, and that their influence upon the whole globe will be greatly increased. France, as already said, we expect to see recover rapidly. But she will not take her old place until population has augmented very considerably. Consequently, the two greatest elements in the world when peace is restored, and for some time afterwards, will be the English-speaking peoples and the Russians. We are not forgetting the Japanese, and are not in the least disposed to minimise their influence. They will have a brilliant future likewise. But they must grow both in numbers and in wealth before they can play a very prominent part upon the world's stage. France, likewise, has a brilliant future, and so has Italy. But these require increased populations also before they can exercise the influence that necessarily belongs to the greatest civilised populations.

### SUCCESS IN WAR.

IN his speech at the Guildhall on Friday of last week Lord Kitchener observed: "Napoleon, when asked what were the three things necessary for a successful war, replied, 'Money, money, money.' To-day we vary that phrase, and say, 'Men, material, and money.'" By the word "money" used in this quotation Napoleon evidently meant not merely the circulating medium, but everything which money can buy—in other words, national resources. It was natural that Napoleon should take this broad view of the word, for it will be recollected that he was not only one of the greatest generals the world has ever seen, but he was also the despotic sovereign of a vast Empire, including not merely France, but a large part of the neighbouring countries. He had to be, therefore, a statesman as well as a soldier; and naturally, when asked so grave a question, he replied not merely as a soldier, but as a soldier-statesman. Lord Kitchener seems, if we understand him aright, to look at the matter purely as a soldier. Whereas Napoleon said in effect that the three things necessary for success in war were national resources, national resources, and national resources, Lord Kitchener varies the phrase and puts men first, material second, and money third, apparently not meaning by money what the word conveyed to Napoleon, but rather the means of paying as one goes along. In other words, Lord Kitchener seems to look upon finance as a mere adjunct to war; to provide the means of paying what war costs, but of no further consequence. It will be noticed, moreover, that as thus looked at the problem raised is not a military one purely, or even mainly. It is in reality, as looked at by Napoleon, politico-economic. Therefore, we may without presumption discuss a problem upon which Lord Kitchener differs from Napoleon. Our first observation is that there is a vast body of experience which supports the view taken by the greatest master of war that we know of. Clearly it was not men, or, to put it more distinctly,

superior numbers in war, which enabled Greece to defeat the Persians, which enabled Macedon to conquer the Persian Empire, which enabled Hannibal at the head of a mixed horde of Spaniards and Gauls to almost ruin Rome and to occupy Italy for so many years. Clearly, also, it was not superiority in numbers which enabled the Saracens to conquer so much of the Eastern Empire, Persia, and a large part of Central Asia, not to speak of North Africa and Spain. Neither was it superior numbers that made it possible for Frederick the Great to wage two successful wars against Austria. Nor, finally, was it superior numbers which rendered Clive capable of making himself master of so much of India. Superior numbers, of course, are of great value to the general who knows how to use them. But superior numbers have been so often beaten that their value is in any particular case before trial very doubtful. Consummate generalship, again, is an inestimable thing. But then no human foresight can provide it. It comes how, why, when, and where nobody knows. And it fails to come in the greatest emergencies. It appears, then, that Napoleon was clearly right in his dictum that staying power alone can be depended upon to give ultimate victory. And we submit that the word used by Napoleon and translated into English by the word "money" is best rendered in our language by the phrase "staying power."

Staying power implies, in the first place, a determination to fight the quarrel out to the last; not to be disheartened by defeat, but to go on doggedly until fortune favours. That is, no doubt, largely part of the character of a people. All the same, it is bred by the habits of the people, by discipline, industry, and the conviction that difficulties can be overcome if boldly faced. Furthermore, staying power, above everything, depends upon largely developed resources. Clearly a nation which has great determination but few resources may fight very obstinately and very gallantly. But it cannot hold out when its food supplies and its munitions are exhausted. Therefore, the main element in staying power is the possession of resources greater than those of the enemy. Now, the experience of nearly twelve months of war has proved conclusively to ourselves that resources depend quite as much upon industrial activity and superiority as upon winning battles in the field. Our Government shortly after the War broke out called for an immense number of recruits. The answer of the country was everything that could be desired. But even as early as September recruiting had to be slackened because the Government was unable even to clothe the men who enrolled themselves. After a while recruiting became active once more. But still the difficulty with regard to clothing continued, as well as the difficulty of supplying even rifles; while the difficulty of supplying high explosives has not been overcome even to-day. The real mistake that this country has made in this war is that, finding themselves unprepared when hostilities began, our authorities did not deliberately consider what would be required in a vast war under the conditions of to-day. If they had done so they would have called for very much fewer recruits. But they would have insisted upon liberal supplies of all kinds of material needed by the War—clothing, food, and especially munitions. Had they done so; had they given orders in the United States, Canada, and elsewhere; and had they, above all, encouraged our own manufacturers to enlarge their factories and greatly augment their output, we should have been much better prepared than we are, and we should be playing a far more important part in the War. The number of men needed for the field can always be found in a country like ours, where war for war's sake is not loved, but where there is always abundance of martial spirit. If we are wise even now we shall take to heart the lesson which has been taught us during the twelve months now so rapidly drawing to a close. And we

shall lessen our demand for fighting men, and increase greatly our demand for the production of wealth in all its forms. The first thing necessary, of course, is to supply our Armies and our Navy with all the munitions they may require. But it is to be recollected that it is quite as important to augment as much as we can the national production. We are spending money at a rate that never has been witnessed—that never, indeed, has been even contemplated until now. If the War lasts its cost will increase; and if we go on spending from a thousand millions to twelve hundred millions a year, what will the consequences be supposing the War lasts for three years? If we are to prove that we have greater staying power than our enemies we must give heed to our productive energy, and encourage it in every way we can, so that not only shall we be in a position to brag of a determination to carry the War out to a successful end, but we shall give practical demonstration that we are able to do so, and that it is in our power to dictate to a beaten enemy what terms we think suitable to the circumstances.

### GERMAN RESOURCES.

THERE is a widespread delusion respecting the resources of Germany which it is desirable to dispel. Newspaper writers and public speakers are never tired of dwelling upon the wonderful resource that Germany has shown during the eleven months of the War. These people have never been prepared by the classical education which they received to understand national resources or national staying power. It is not surprising, therefore, that they are dumfounded by the evidence given that Germany is not yet exhausted. On the contrary, with her ally, Austria-Hungary, she is fighting for the moment not unsuccessfully against Russia; and if she is being pushed hard by France in the Western theatre, still she holds in her possession a very large part of that country, while she completely dominates Belgium. Moreover, she is able to fill with fear her weaker neighbours. Lastly, she is spending immense sums in bribing, while she is actually lending to neutrals she hopes either to make allies or, at all events, to keep neutral. From all this it is argued by the ignorant people to whom we have referred that Germany has much larger forces than she really has, and disposes of resources immensely greater than she actually does. With regard to her military forces, it is stated again and again, by men who believe themselves to take a moderate view and do not intentionally exaggerate the might of the two Central European Empires, that they have in the field at the present moment not less than six millions of men, and possibly more. We do not pretend to be accurately informed respecting the military forces of the two Empires. We doubt very much, indeed, whether anybody outside official circles in those two countries is well informed. Nevertheless, we are prepared to stake whatever reputation we possess on the assertion that the two Central European Empires have not at the present time six millions of men in the field, and never will be able to bring that force to bear upon their opponents. If the reader will bear in mind what is happening here at home he will share our disbelief. We have been engaged in the War now for over eleven months, and yet we have had to change our Government, to create a new Department, and to transfer our most energetic public man from the Exchequer to this new Department so as to be able to supply our Army with sufficient munitions of war. We have thrown our whole economic organisation into disorder by withdrawing a couple of millions of men from peaceful pursuits and enlisting them in the Army; and yet we are asked to believe that Germany has withdrawn, not a couple of millions, but five millions of men or over, from productive employments, and that yet she has beaten all her adversaries in

producing munition supplies in unheard-of quantities. The thing is absolutely impracticable, and is as much of a dream as any fantasy that haunts midnight sleep. What enables Germany to do what she is doing in regard to men is that she has since her victory over France nearly half a century ago been devoting herself unceasingly to preparation for this War. With that view she has built an admirable system of strategic railways, and by means of those railways she shifts troops from France to Poland and back again as circumstances compel her to strengthen the one position or the other. We, on the other hand, have waited until necessity compelled us to see the need for munitions of war before we did anything to supply what was wanted. Germany took thought half a century ago and set about preparing strategic railways. Is it any wonder that one consequence is that she is able to move large bodies of men quickly from East to West and from West to East by means of those railways? Would it not be odd if she were not? But that kind of thing may be done for months. It cannot be persisted in very long.

Furthermore, it is asked by the militarists and sensationalists we are referring to, What about the money Germany is spending as if she could not exhaust her hoard? To which we reply, She has exhausted her hoard practically, and she is playing high stakes like a gambler who argues, "If I win I shall be all right; if I lose I am ruined already." Germany, as soon as the War broke out, suspended cash payments. She set her wits to work to extract from her own people every coin in gold that could be wheedled from them in any way, even by threats. And she flooded the country with inconvertible paper. Now she is lending to countries like Bulgaria. But she is not lending gold; she is lending commodities, and they are being paid for by inconvertible paper. If she wins, France and her Allies will have to pay for their own subjugation. If she loses—well, the loss of a few millions of paper will not seriously matter. Germany, it is to be recollected, moreover, is in possession of the greater part of Belgium and of the most industrial part of France. She is holding both down with an iron hand, and she is plundering them as far as she thinks they can be made to yield. Both are very rich countries. Both have had large savings. Both are, in Blücher's words, "well worth looting." And when one hears of what is being done by Germany, one should remember that a great deal of the ability to do so is derived from plundering Belgium and the occupied provinces of France. The resources of Germany in real, simple truth, are by no means what they are supposed to be. They are very nearly exhausted, as will be seen so soon as Russia is in a position to bring up overwhelming forces and to drive the Austrians and Germans before them. But the real resources of the two Central European Empires are very nearly exhausted already. That does not mean that they must yield at once. It is to be recollected that when the great Revolutionary wars began at the end of the eighteenth century it has been said in telling words that "it took a cart-load of assignats to pay for a breakfast," so utterly low had the credit of France fallen at the time. And yet France proceeded immediately to overrun the Continent, and for nearly a quarter of a century was mistress of the Continent. Appearances, therefore, should not impose upon us. Germany looks imposing now because she made vast preparations that are not yet quite exhausted, and because her people are wonderfully patriotic and are fighting well. But the day of reckoning is rapidly approaching.

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## Financial Notes.

SIR H. DALZIEL did a public service on Monday in forcing upon the attention of the House of Commons, and through it of the whole public, the immense advantage which Germany derives from her ability to import all the cotton she requires through neutral countries. Cotton is indispensable for the manufacture of high explosives. Therefore, it would almost disable Germany if she found herself deprived of a sufficient supply of cotton; and, as Sir Henry urged, the fact that the British Fleet controls the seas and that the German mercantile marine is unable to traverse the seas ought to render it impossible for Germany to supply herself with all the cotton she needs. Sir Henry, however, would have made his case much stronger if he had frankly admitted the difficulties which confront the Government, and pointed out more clearly than he did how those difficulties can be overcome without increasing our own embarrassments.

When nations go to war, they do not thereby deprive neutrals of their rights. The nations which decide for neutrality pledge themselves to deal equally with all belligerents, and they expect the belligerents to use against them only those measures which are acknowledged to be legitimate in accepted international law. It would be an act of high-handed injustice if we were to adopt any measure not recognised by international law. Moreover, it would be unfavourable to ourselves, for though we are at the present moment engaged in an exceedingly dangerous war, yet we hope and believe that we shall bring the war to a successful ending, and that when that is done we shall enjoy a long period of repose. Then it may be our lot to act as neutrals and it will be desirable if we are neutral that all our rights as such shall be respected. Whether, therefore, we regard the interests of existing neutrals or our own future interests, it is essential that we should do nothing that is not fully recognised by international law.

To this, in effect, Sir Henry replies, firstly, that we ought to proclaim cotton contraband; and, secondly, that we ought to take such measures as will make it undesirable for neutrals to go on supplying Germany with cotton. There are manifest objections to the first suggestion, viz., to declare cotton contraband. It is, we admit, within the competence of a belligerent to adopt such a course. But, in the first place, the belligerent ought to ask himself what power he has to enforce his own decision; and, secondly, he ought very seriously to consider what the consequences may be of enforcing such a policy. The United States, for example, is a very great producer of cotton. So is India. And so is Egypt. We have it, it is true, in our own power to prevent the export of cotton from either India or the Valley of the Nile. But we have no means of preventing the export of cotton from the United States, say, to any of the Scandinavian nations. If we were to declare it contraband of war we could, of course, blockade the

Scandinavian coasts, and take whatever measures might be requisite to prevent cotton shipped, let us suppose, to Norway, or Sweden, or Denmark from being exported thence to Germany. But are we prepared for the sake of preventing cotton being imported in a round-about manner into Germany, to quarrel both with the United States and with the Scandinavian countries? Before answering that question has Sir Henry, and those who think with him, fully taken into account all the troubles we should raise for ourselves?

Lord R. Cecil, replying for the Government, acknowledged fully the importance of the question raised, and dwelt upon the difficulties with which it bristles. He pointed out, however, that the Government has entered into arrangements both with Holland and with the United States, which ought to greatly abate the nuisance, if it does not entirely stop it. Nobody is sanguine enough to believe that any measures taken would succeed in entirely preventing neutrals from passing cotton into Germany. But that done upon a small scale would not have serious consequences. We ought to be satisfied if we can prevent Germany from obtaining cotton in such abundance as would enable her to go on producing high explosives in as great quantities as she has been doing of late. If we can do that, if we can practically reduce her supply of high explosives greatly below our own and the French supplies, we shall have succeeded as far as it is reasonable to expect, and Lord Robert hopes that this will be the result. But he assured the House that the Government is very carefully watching the process, and will take any additional measures which seem to be expedient.

The arrangement the Government has entered into for the purpose is, that all cotton exported from the United States to Holland shall be consigned to the Netherlands Over-Seas Trust, which consists of men of the highest character in Holland; and that this Trust sees to it that none of the cotton shall be re-exported to Germany. By this arrangement Holland is enabled to procure all the cotton she requires for her own manufactures; at the same time, growers of cotton in America and American cotton merchants are enabled to sell to Holland all the cotton the latter requires; and, finally, the United States and Holland both are pledged that none of the supply shall go to Germany. Certainly, the arrangement seems all that is necessary. Unless, therefore, the Netherlands Over-Seas Trust breaks faith, cotton will not go through Holland to Germany and help, therefore, the continuance of the manufacture of high explosives. If some such arrangement as that is carried through with all the neutral countries likely to supply Germany, it ought clearly to be sufficient for the purpose we have in view, and Parliament has acted wisely in not pressing the Government further. For it is both our duty and our interest not to disturb neutral trade if we can help it. At the same time we trust that the promise given by Sir Robert will be faithfully fulfilled, namely, that the Government will watch intently how the experiment works, and if they find the need, will take whatever further steps are required.

## LONDON CITY & MIDLAND BANK

LIMITED.

30th JUNE, 1915.

SUBSCRIBED CAPITAL	-	£22,947,804
PAID-UP	- - -	4,780,792
RESERVE FUND	- - -	4,000,000
CASH	- - -	36,356,672
DEPOSITS	- - -	142,388,314

HOME RAILWAYS.

Companies will be announcing their distributions in respect of the June half of 1915, and despite the fact that apart from the small electric lines the whole of the railways of Great Britain are being worked by arrangement with the Government, there is still an element of uncertainty regarding the probable rates of dividend that will be forthcoming. Under the original arrangement between the Government and the companies, it will be remembered, the Government agreed to make up the net earnings of the companies from railway operation proper and from subsidiary businesses, such as steamships, docks, harbours, wharves, etc., during such period as the lines are being operated under Government control, to the level of the net receipts for 1913. There was, however, a proviso to the effect that inasmuch as the net receipts of the companies in the aggregate showed diminution in the June half of 1914, the figure to which the 1913 net receipts should be made up should be proportionately less. The diminution in net earnings for the June half of 1914 was approximately 2½ per cent., and had the original arrangement remained in force the net receipts for 1915 would have been, roughly, 2½ per cent. less than those for 1913. Subsequently, however, a fresh arrangement was entered into, whereby the companies agreed to pay 25 per cent. of the war bonuses to employees granted early in 1915, and the Government agreed to waive the proviso, and thus assured to the railways the same net receipts as in 1913, subject, of course, to the companies' share of the men's war bonuses. It was believed at the time this revised arrangement was entered into that, taking the companies as a whole, the net result, after paying the war bonus, would probably be found to be practically the same as under the first scheme, when the additional wages had not been granted to employees.

Under the terms of the existing agreement, only the net receipts from operation of the railway and subsidiary businesses are to be made up to the 1913 level, and therefore, besides paying 25 per cent. of the war bonus, the individual companies have to bear the burden of any increased interest and other charges that have been incurred since 1913. In the great majority of cases the railways will receive a greater amount of net receipts for 1915 than for 1914, for in the period prior to the assumption of control by the Government the net receipts were showing decline. Although a few of the companies may not be in a position to maintain their distributions for the past half-year, and,

indeed, for the whole of 1915, at the level of those paid for 1914, in many cases there should be no difficulty whatever in doing so, if, in view of the existing exceptional circumstances, it is decided somewhat to reduce the appropriations to reserve and other funds. To take the case of the Great Western, for example. The net receipts for the year 1915 will be made up to a level higher than for 1914 by about £22,000, a sum which is likely to be much more than absorbed by the payment of the Company's proportion of the war bonus. Even should net interest charges (i.e., interest and other charges, less miscellaneous income) be the same as in 1914—and the probabilities are that they will be somewhat higher—the profit available for dividend in 1915 will be less than the 1914 figure of £2,410,000, out of which the 6 per cent. dividend called for £2,223,000 and £200,000 was transferred to reserve fund after drawing somewhat upon the balance carried forward. From this instance it will be evident that the Company will not be in a position to maintain last year's dividend of 6 per cent. and at the same time again to devote £200,000 to reserve fund. The question as to which shall be maintained, the dividend or the special allocation, is, of course, a matter that must be left to the discretion of the directors, but of the two courses the likelihood is that the former will be adopted.

To take a contrary case, the North Western will this year receive net receipts higher than those for 1914 by about £313,000, and although a large portion of this sum will go towards paying the Company's share of the war bonus and meeting somewhat increased interest charges, the profit for the whole of 1915 is expected to attain at least to the level of that for 1914. For that year the profit was £2,681,000, out of which was paid a 6 per cent. dividend calling for £2,573,000, £100,000 was appropriated to reserve fund, and £8,000 was added to the balance carried forward.

Those few companies whose net receipts for the first half of 1914 showed improvement over the net receipts for the corresponding half of 1913 stand to lose under the terms of the existing agreement, while, on the other hand, the lines whose net receipts compared unfavourably with the 1913 results will derive benefit. For example, the Great Western secured £32,000 of additional net receipts in the June half of 1914, while the North Western lost as much as £181,000. In the former category may be included the Great Eastern and the Lancashire and Yorkshire, both of whom did relatively badly in 1913, and secured better net returns in the first six months of last year.

	Net Receipts of Railway & Subsidiary		Addition to Net Receipts of Agreement.	Net Profit for Ord. Year 1914	Rate	Paid (Year 1914.)		Special Appropriations, 1914	Balance carried forward	
	1913	1914				Rate	Amount		1913	1914
	£	£	£	£			£	£	£	£
Great Eastern	360,000	351,000	9,000	189,000	—	—	190,000	—	3,333	—
Great Northern	2,174,000	2,159,000	15,000	623,000	—	—	—	—	22,307	—
Great Western	2,410,000	2,432,000	22,000	2,681,000	1	26,420	—	—	181,000	+ 105
Lancashire and Yorkshire	780,000	777,000	3,000	286,000	15	275,000	—	—	21,973	+10,351
London and North Western	2,082,000	2,036,000	46,000	88,000	—	89,200b	—	—	7,674	- 1,027
London and South Western	2,048,000	2,062,000	14,000	—	—	384,000	10,000	108,909	—	—
North British	2,234,000	2,200,000	34,000	812,000	1	782,000	60,000	101,000	—	-29,791
North London	262,000	260,000	2,000	52,000	4	52,833	—	—	8,159	—
North Western	5,615,000	5,593,000	22,000	2,410,000	—	2,223,000	200,000	115,601	—	-13,179
Hull and Barnsley	257,000	249,000	8,000	59,335	2½	57,699	2,000	16,349	—	- 1,414
Lancashire and Yorkshire	330,000	292,000	38,000	61,263	2	66,000	—	—	16,244	+ 4,737
Lancashire and Yorkshire	2,432,000	2,443,000	11,000*	872,000	—	847,000	20,000	45,999	—	+ 5,219
London and North Western	2,047,000	2,045,000	2,000	847,000	—	817,000	20,000	109,003	—	+ 7,075
London and South Western	1,389,000	1,357,000	32,000	503,000	—	496,000	—	39,994	—	- 6,994
North British	5,789,000	5,671,000	118,000	2,729,000	—	2,539,000	200,000	131,442	—	- 38,877
North British	2,318,000	2,276,000	42,000	412,000	4	407,000	20,000	48,804	—	+14,608
North London	4,316,000	4,069,000	247,000	2,292,000	—	2,087,000	150,000	189,774	—	+54,827
North London	153,000	133,000	20,000	75,596	—	76,290	—	6,222	—	- 614
North Western	426,000	409,000	17,000	167,000	15	157,000	8,000	12,459	—	+ 1,617
North Western	58,052	61,141	3,089*	56,997	9	56,700	—	2,615	—	- 1,717
North Western	159,000	154,000	5,000	88,545	8½	84,000	4,000	4,521	—	+ 487
North Western	815,000b	799,000b	16,000	290,000	15	303,000c	—	73,093	—	-12,842
North Western	1,172,000d	1,149,000d	23,000	355,000	—	352,000	—	7,817	—	+ 3,618
Totals	443,000	435,000	8,000	200,000	—	195,000	—	14,021	—	- 4,117

(2) Div. on 1st Pref. (3) 41% of net receipts of Joint Committee. (4) Div. on 1st Pref. (5) 50% of net receipts of Joint Committee. \* Retained.

Now, for 1915 their net receipts will be at the 1913 level, and they will be called upon to provide their quota of the war bonus and also additional interest charges.

As things are at present it is impossible to give much data concerning the position of the Home Railway companies, as it is not possible to ascertain, first, each company's share of the war bonus, and, secondly, to what extent interest and other charges are in excess of those for 1914. However, we present herewith a statement that may prove of interest, in which we indicate, first, the approximate change in the net receipts for 1915 compared with those for 1913, before provision is made, of course, for the companies' share of the war bonus, and secondly, the net profit for last year. These figures we give to enable the reader to appreciate the margin in excess of the dividends paid for 1914 and to gauge to some extent the ability of the various lines to provide their quota of the war bonus and to pay their higher interest charges without being under the necessity of reducing dividends.

On page 105 we set out the special appropriations to reserve and other funds in 1914; and, lastly, we show how the balances brought forward into the current year's accounts compare with the balances brought into 1914.

Since the outbreak of war marked declines have occurred in the prices of Home Railway securities, especially in recent weeks, when sales have been made to provide funds for investment in the War Loan; and at present quotations many of the securities seem attractive, taking all the circumstances into account. On the assumption that dividends for 1915 are the same as for 1914, the yields at present prices are approximately as indicated in the following statement, to which we have added the dividends paid for 1913 and 1914, both half-yearly and annual:—

	—1913—		—1914—		Price	Yield
	%	%	%	%		
Barry Deferred	...	6	6	6	80	7 2 5
Caledonian Ordinary	...	3	4	3	34	7 2 1
Deferred	...	nil	1	nil	94	4 1 8
Furness Ordinary	...	2	3	2	28	3 11 5
Glas. & S.W. Def.	...	21	3	21	30	6 17 11
Gt. Eastern Ord.	...	4	4	4	24	6 15 2
Gt. Northern Def.	...	—	—	—	30	7 4 9
" A " Stock	...	—	—	—	55	8 0 0
Gt. Western Ord.	...	41	8	44	74	6 0 0
Hull and Orkney	...	nil	5	21	44	7 3 5
Hull & Barnsley Ord.	...	3	4	3	14	4 8 11
Lanc. & York. Ord.	...	34	54	44	3	6 10 11
L. & N.-W. Ord.	...	6	8	7	6	109 5 12 8
L. & S.-W. Ord.	...	1	74	52	4	74 6 1 7
Def.	...	—	12	—	12	6 19 4
L., B. & S. C. Ord.	...	21	8	24	74	6 10 9
Def.	...	—	—	—	31	6 16 7
L. C. & D. 11% 1st Pref.	...	41	41	44	44	60 7 16 0
" 4 1/2% 2nd "	...	nil	5	13	nil	23
Ord.	...	nil	nil	nil	1	23
Metropolitan Ord.	...	11	14	14	1	4 19 6
Midland Def.	...	31	54	5	4	60 6 16 2
N. British 10%	...	nil	21	11	nil	16 6 7 0
N.-E. " Consols "	...	51	81	7	34	108 6 3 3
North Lond. Ord.	...	5	14	4	34	73 5 5 1
North Staff. Ord.	...	4	6	5	4	79 6 9 0
Rhymney Ord.	...	8	10	9	8	148 5 18 3
South-Eastern Ord.	...	11	61	4	6	32 6 19 4
" 10% Pref.	...	3	9	6	10	6 7 3
Def.	...	—	—	—	1	24 1 5 1
Taff Vale Ord.	...	1	4	4	54	6 7 8

The railways of Ireland have not been taken over by the Government as in the case of the lines of Great Britain, but judging from the traffic statements the Irish railways are securing better gross receipts than in 1914, and although they are having to pay higher rates of wages it is anticipated their dividends for 1915 will be maintained at the 1914 level.

The King has been pleased to approve the appointment of Sir George Stapylton Barnes, K.C.B., Second Secretary to the Board of Trade, to be an Ordinary Member of the Council of the Governor-General of India in succession to Sir William Clark. In consequence of pressure of work at the Board of Trade the President of the Board has requested, and the Viceroy has agreed, that Sir George Barnes should defer taking charge of the Department of Commerce and Industry until March next.



## National Shawmut Bank

of Boston, Mass.

First Charter 1837

### Largest Bank in New England

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TOTAL CLAIMS PAID over - £79,000,000

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OFFICES IN ALL THE CHIEF COMMERCIAL CENTRES.

## American Topics.

### CANADIAN PACIFIC RAILWAY.

THE price of Canadian Pacific Ordinary stock, which has displayed considerable weakness of late, and which at one time receded to just under 148, a quotation lower than at any time since the early part of 1908, is now about 152. Two reasons are put forward for the decline that has occurred from the former high level. In the first place, the belief prevails that owing to the very severe shrinkage in earnings and profits during the past twelve months some diminution in the dividend may have to be made. Secondly, the weakness is attributed to heavy realisations on the part of European investors. Of the two, the latter is more likely to be the real reason for the fall, for though it is true profits are down considerably, it seems improbable that any reduction in the rate of dividend will be made. For each of the past five years the distribution upon the Ordinary stock has been 10 per cent. per annum, of which 7 per cent. has been paid out of the profits of the Railway proper and 3 per cent. out of income from extraneous sources. The profits of the Railway available for dividend for the year to June 1914 amounted to \$26,848,000, while the special income of the year was \$8,588,000, a total of \$35,436,000, equal to 14½ per cent. on the stock. According to the revenue statement of the Railway for the eleven months to May, gross earnings declined \$28,407,000, or 23.8 per cent. By means of severe retrenchments the operating expenses were considerably reduced, with the result that net earnings for the

period were \$8,193,000, a decrease of almost 21 per cent. Thus, apart from any further decline in net earnings in June, the profit available for distribution on the \$260,000,000 of Ordinary stock outstanding during 1914-15 was almost \$18,655,000, or some \$455,000 in excess of 7 per cent. dividend requirements. Interest charges in the past year, we would state, have shown little change. Therefore, net earnings for June could show a decline of about half-a-million dollars without it being necessary to draw upon the large profit-and-loss surplus on Railway account of \$68,550,000 in order to maintain the usual rate of distribution out of the profits of the Railway. For the month of June gross earnings declined \$2,571,000.

So far as the special income of the year is concerned no figures are available. Assuming the same special income was received as in 1913-14, there would be a margin of \$788,000 in excess of the 3 per cent. dividend payable on this account. Moreover, it has to be borne in mind that a credit balance of \$3,097,000 was brought forward into the special income account for 1914-15, which amount could be drawn upon in the event of income from outside sources having been curtailed. The estimated profits for 1914-15 on the basis of results to end of May are shown in the appended statement:—

	Profits of Railway Proper. \$	Special Income Account \$	Total Profits \$
Year to June 1914	20,818,000	8,588,000	35,456,000
Decrease in net receipts, 11 months to May 1915	8,193,000	—	8,193,000
Estimated profit, 1914-15, irrespective of special income	18,655,000	8,588,000	27,243,000
Estimated profit, 1914-15	18,200,000	7,800,000	26,000,000
Do. per cent.	7%	3%	10%
Interest and loss surplus to June 1914, less divs. paid Oct. 1914	455,000	788,000	1,243,000
Interest and loss surplus to June 1914, less divs. paid Oct. 1914	68,550,000	3,097,000	71,647,000

Even in the event of the profit available for dividend being less than estimated above when consideration of the final dividend in respect of the past fiscal year comes up for discussion in August, the probabilities are the dividend will be maintained at its existing rate, as the harvest outlook for the current year is far the biggest crop ever gathered, as against a poor crop last year. At the existing price of 152 the yield on Canadian Pacific stock from the 10 per cent. dividend is almost 7 per cent., allowing for exchange and accrued dividend.

### LEHIGH VALLEY RAILROAD.

THE final quarterly dividend of  $2\frac{1}{2}$  per cent. in respect of the year 1914-15 has recently been declared upon the Common stock of the Lehigh Valley Railroad. This rate of dividend has now been in force since the second half of 1911, and although recently a certain amount of apprehension was felt in some quarters lest the dividend would be reduced, as the months pass there is increasing evidence of the ability of the Company to maintain the distribution at its existing level. The shrinkage in earnings and profits which occurred in 1913-14 continued until the end of December last, but in the first five months of the current calendar year the improvement in both gross and net earnings has much more than offset the decline that occurred in the December half-year. The net profit of the Railroad proper for the fiscal year 1913-14 reached \$7,046,000, in which was included \$685,000 received as a special dividend from the Temple Iron Company. Beyond this, account has to be taken of the \$565,000 of net income of the Lehigh Valley Coal Company, whose entire capital stock is owned by the Railroad. Including the Coal Company's income the net profit for 1913-14 was, therefore, \$7,611,000. In the eleven months to May last there was an improvement of \$545,000 in gross earnings. The receipts from the carriage of freight were distinctly better, the increase for the

period having been \$1,153,000; but passenger receipts, on the other hand, declined considerably, owing in large measure to the cutting off of immigration traffic. Operating expenses for the eleven months were \$273,000 lower than in the preceding year, not because of any curtailment of maintenance outlays, which, in fact, were higher than a year ago, but entirely because of economies effected in the cost of working the traffic. After allowing for somewhat higher taxes and miscellaneous charges to revenue, the operating income for the eleven months showed the satisfactory gain of \$780,000. Hence, apart from any further expansion that may be recorded for the past month, the improvement in net earnings for the eleven months practically offsets the special income from the Temple Iron Company received in 1913-14, which was not again forthcoming in 1914-15. Inasmuch as interest and other charges last year are expected to have varied but little from those of the previous year, it is reasonable to assume that the profit available for dividend has been almost identical with that for 1913-14, when 12.58 per cent. was earned. It should be recognised that this is without taking into consideration any improvement that may have occurred during the past fiscal year in the net income of the Lehigh Valley Coal Company, whose results for 1913-14 were far below normal. Judging from the better conditions that have recently prevailed in the anthracite coal trade, or, at any rate, in the Lehigh Valley's share, it is probable the results of the Coal Company have shown improvement in the past year. Advantage has been taken during the period of depression through which the Company has been passing of late to improve the condition of the equipment, until both the road and the rolling-stock are in such shape that the Company is in the best possible position to meet the increased business now apparently developing. The price of the stock has recovered to 142 $\frac{1}{4}$ , at which the yield from the 10 per cent. dividend is about  $7\frac{1}{8}$  per cent.

### ALABAMA GREAT SOUTHERN RR.

NOTWITHSTANDING the set-back in earnings and profits of the Alabama Great Southern Railroad that has resulted from the recent depression in the iron and lumber industries of the United States, the distribution upon the Ordinary stock is maintained at the rate of 5 per cent., a half-yearly dividend of  $2\frac{1}{2}$  per cent. having been paid at the end of last month. Dividends at this rate have been forthcoming since the December half of 1910, prior to which the only distributions made on the Ordinary had been 2 per cent. for each of the preceding two years. The road is controlled by the Southern Railway, which possesses a majority interest in the capital stock through the ownership of \$1,725,000 of the \$3,380,350 of 6% Preferred and \$4,450,000 of the \$7,830,000 of Ordinary stock. Stock not owned by the Southern is mainly held by investors on this side. The 309 miles of road operated traverse the richest coal and iron districts of the Southern States and form part of one of the most direct routes from New York to New Orleans. Until recent months, when the effect of the trade depression began to be reflected in diminished gross earnings, the revenue of the line had shown steady and consistent growth, and for the year 1914 was the highest ever attained, having amounted to \$5,385,000. Whereas in 1912-13 the net profit of \$1,135,000 was higher than ever before, that for 1913-14 amounted to only \$757,000, a figure much below the average, although gross earnings, as we have said, were unprecedentedly large. This considerable shrinkage in net profit was due to heavier outlays upon maintenance, increased cost of fuel, higher wage schedules, various expenses rendered necessary in order to comply with new legislation, and additional taxes. After the payment of the 6 per cent. dividend on the Preferred stock a balance of \$554,000 remained, equal to just over 7 per cent. on the Ordinary.

During the first 10 months of the past fiscal year the gross earnings fell off by \$609,000, although as each month passes the rate of decline is appreciably reduced. Fortunately, it has been possible somewhat to curtail expenses upon conducting transportation, and smaller amounts have also been expended upon maintenance. Nevertheless the proportion of maintenance expenses to gross receipts shows little variation as compared with the corresponding period of the previous year. The result has been a diminution of \$146,000 in net receipts. Since the end of April the further improvement in the demand for iron and for lumber has brought additional earnings and traffic to the line, and for the month of May the shrinkage in gross earnings was only \$11,000, while for the first three weeks of June it was \$12,000. Inasmuch as the decline of \$13,000 in gross earnings for April was accompanied by a reduction of \$61,000 in operating expenses, it is probable that some addition to net earnings for May and June will be reported. However, ignoring any improvement that may have occurred subsequent to the end of April, the profit available for the Ordinary stock is just about equal to the sum needed to pay the 5 per cent. dividend. Results made up to the end of June will, however, probably show a small surplus after providing for the dividend on the Ordinary. During the coming months comparison will be made with a period when somewhat heavy shrinkages occurred both in gross and net earnings; and, in view of the return to activity of the iron and steel industries, in the prosperity of which the road is largely interested, the outlook is for earnings and profits to show distinct recovery. During the past year a good deal of work has been carried out upon improving and double-tracking the line at congested points; while additional facilities have been provided with a view to the economical handling of a much larger amount of traffic than that hitherto moved over the road. When the Stock Exchange was closed at the end of July last the Preferred stock was quoted at 54 and the Ordinary at 36, these prices in each case applying to shares of the par value of \$50. Since the reopening of the House at the beginning of January no bargains in either of the shares have been recorded, but we understand that the nominal prices are 45-50 for the Preferred and 30-35 for the Common. At these quotations the respective yields afforded are approximately  $6\frac{1}{2}$  per cent. on the Preferred and  $7\frac{3}{4}$  per cent. on the Ordinary.

### **COSTA RICA RAILWAY.**

THE continued heavy falling off in the earnings of the Costa Rica Railway Company has apparently created in the minds of some of the shareholders the fear that the Northern Railway of Costa Rica might be unable to continue the lease. At the meeting this week, however, the Chairman stated that the directors had every reason to believe that in spite of the bad times the working of the lease was likely to continue with its customary regularity. Moreover, it is interesting to learn that in the opinion of the Chairman the position of the railway is such that even supposing the lease were thrown up to-morrow, and that the Company had to work the railway themselves, it would probably yield a profit equal in amount to the rental now received under the lease. This, of course, is satisfactory, and indicates that the dividend of 2 per cent. now being paid will be maintained even in the bad times through which Costa Rica is passing. The financial position of the Company is also very strong. The reserve fund now reaches £182,263, and including this the total investments of all kinds amount to £231,000. The price of the Ordinary stock is  $33\frac{1}{4}$ , and allowing for accrued dividend a yield of £6 8s. is forthcoming from the distribution of 2 per cent.

### **CENTRAL ARGENTINE RAILWAY. POSITION AND OUTLOOK.**

A REMARKABLE change has come over the position of the Central Argentine Railway Company in the past few months. At one time last year it looked as though considerable difficulty might be experienced in earning the reduced dividend of 5 per cent. on the Company's share capital, and that even if this rate of distribution were maintained it would be at the expense of the reserve or the surplus balance of the previous year. Now, however, the position is such that shareholders may not only look with confidence to again receiving a 5 per cent. distribution, but may, when the report is issued, discover that such a dividend has been fully earned. This is the more remarkable seeing that for some 18 months prior to the beginning of March a persistent and heavy decline in earnings had been experienced. For the year to June 30, 1914, the diminution in gross receipts was £431,000, and this falling off continued, but at an accentuated rate, right up to the end of February 1915, when for the 35 weeks to February 27 there was a decrease of no less than £593,000, or 14.3 per cent. In 18 months, therefore, the Company lost traffic to the value of well over a million sterling, a decrease which even for a powerful Company like the Central Argentine could not be viewed altogether with equanimity. At the beginning of March, however, a change for the better set in, and since then the weekly returns have shown constant and satisfactory increases. The result has been that the year closed with a decline in receipts of only £275,000, or 4.5 per cent., which means that in 16 weeks the Company added no less than £320,000 to its traffic takings, an improvement equal to well over £1,000,000 a year. It is true that in the corresponding period the Company was doing badly, but having regard to the slackness of the import trade the recovery in earnings to date is truly remarkable. The country has fortunately been favoured with excellent crops this year, the yields of wheat, oats, and linseed having been considerably in excess of those of a year ago, although smaller than at one time anticipated. The bulk of the wheat and oats has now been exported, the demand having been great and prices exceedingly high. Hence the large railway traffics of recent months. Moreover, the potential wealth of the country has been enormously increased, and in the coming twelve months this should be reflected in a larger import trade and a greater volume of general traffic over the railways. The maize crop now being marketed is also a large one, recent estimates putting the exportable surplus at 4,250,000 tons, as against 3,400,000 tons last season. With La Plata maize now fetching some 6s. to 7s. per quarter more than twelve months ago, the wealth of the country is being further greatly augmented, and the position of Argentina to-day is undoubtedly better than it has been for a considerable while past. The Central Argentine is the principal maize-carrier of the Republic, and the good crop of the current season will have an important effect on its prosperity. The Company also carries a large quantity of wheat, and although it is too soon yet to make any reliable forecast of the coming crop, the conditions at the moment are in all respects satisfactory, and another bumper harvest may be reaped. Sugar, likewise, is of considerable value to the Central Argentine, whose lines extend to Tucuman and the sugar-growing districts of the north, and as this crop also is a good one, and is in great demand at high prices, it looks as though the Company will be kept exceedingly busy for many months to come. To show the relative value of each individual source of income, especially maize, wheat, linseed, sugar, and general goods, we give the following summary of the freight traffic of the Company for the last two years:—

*Freight Traffic, Central Argentine Railway.*

GOODS.	Receipts		Receipts	
	1913-14	1912-13	1913-14	1912-13
	Tonnes	Tonnes	£	£
Maize ... ..	2,197,240	2,746,170	679,546	778,808
Wheat ... ..	588,322	1,054,689	217,231	475,244
Wine ... ..	174,523	167,182	194,169	165,166
Lard ... ..	575,311	344,345	184,835	180,469
Sugar and cane ...	271,450	295,735	156,180	115,396
Lard ... ..	120,345	150,740	102,624	130,034
Flour and middlings	186,578	160,590	101,918	84,019
Charcoal ... ..	125,347	128,546	87,341	88,200
Hay, grass, &c. ...	150,008	155,199	72,708	72,378
Firewood ... ..	241,200	270,493	65,188	65,474
Brass and shorts ...	92,848	90,543	39,831	38,165
Hides and skins ...	24,150	28,769	39,428	45,641
Posts and staves ...	58,577	60,385	37,073	37,418
Fruit and vegetables	34,810	32,435	35,496	30,768
Sleepers ... ..	58,000	100,238	31,828	58,247
Timber (Native) ...	40,000	47,818	20,778	23,947
Limestone ... ..	109,653	153,545	15,035	19,790
Bricks and tiles ...	127,392	202,953	17,998	30,073
Grease and tallow ...	5,596	5,503	6,797	5,484
Wool ... ..	5,004	5,118	9,010	8,011
Other products ...	428,000	583,735	265,524	285,179
General goods ...	1,199,719	1,254,934	958,696	1,010,138
<b>Total public traffic</b>	<b>6,544,082</b>	<b>7,948,964</b>	<b>3,339,234</b>	<b>3,748,029</b>
<b>LIVE STOCK.</b>	<b>No.</b>	<b>No.</b>	<b>£</b>	<b>£</b>
Cattle ... ..	1,061,295	1,198,758	256,438	299,631
Sheep ... ..	511,892	623,634	12,833	15,794
Horses ... ..	14,000	52,412	20,944	20,647
Pigs, &c. ... ..	39,006	33,608	4,000	3,196
<b>Total live stock</b>	<b>1,626,193</b>	<b>1,908,412</b>	<b>294,215</b>	<b>339,268</b>

Whilst the traffic returns of the last nine months have been comparing, to advantage, with the relatively poor takings of a year ago, they will from now onwards have to go against the infinitely smaller traffics of July to December last year, and with good crops now assured, and the position generally much more satisfactory, the outlook is for a big growth in earnings in the current year, and unless something unforeseen happens it is probable that the profit-earning power of the Company twelve months hence will be as great as if not greater than it has ever been. At the moment the weak spot is the scarcity of up-traffic, but as the wealth of the country is augmented, and its ability to buy from abroad increases, this disability should be rectified. To show how well the Company has done in the past four months and the poor traffics with which comparison has now to be made, we set out herewith the course of earnings monthly since July 1911:—

*Course of Traffic Receipts since July 1, 1911.*

Month	Principal Crops Carried	Receipts			
		1914-13	1913-14	1912-13	1911-12
		£	£	£	£
July ... ..	Maize	397,000	501,000	469,000	388,000
August ... ..	"	430,000	651,000	607,000	465,000
September ... ..	"	395,000	505,000	479,000	378,000
October ... ..	"	518,000	493,000	509,000	373,000
November ... ..	"	422,000	544,000	570,000	466,000
December ... ..	"	426,000	421,000	432,000	354,000
January ... ..	Wheat	507,000	541,000	481,000	276,000*
February ... ..	"	452,000	484,000	532,000	379,000*
March ... ..	"	514,000	497,000	700,000	562,000
April ... ..	"	476,000	439,000	541,000	453,000
May ... ..	Maize	671,000	468,000	597,000	610,000
June ... ..	"	578,000	514,000	572,000	520,000
<b>Total year ...</b>		<b>5,786,000</b>	<b>6,058,000</b>	<b>6,489,000</b>	<b>5,224,000</b>

\* Strike period.

As to the net outcome of the past year, everything, of course, depends on the ability of the Company to curtail expenditure. In many respects, notably for coal and railway material of all kinds, prices have risen appreciably, but against this has to be set the economy of operation arising from curtailment of train mileage, and reduction to a minimum of all necessary repairs. Then, again, labour has been cheaper, and with less work performed the saving in the wages bill has probably been substantial. Moreover, last year, it will be recollected, the Company earmarked for special renewals and charged direct to expenses a sum of no less than £320,000, and although this was smaller than the amount set aside in 1912-13, it was, nevertheless, considerably above the average of recent years, and could be sensibly curtailed without detriment to the upkeep of the property. The special renewal outlays of recent years have been as under:—

*Special Renewal Outlays Charged to Expenses.*

	1913-14	1912-13	1911-12	1910-11	1909-10
	£	£	£	£	£
Ways and works, &c. ...	186,471	291,772	120,415	119,273	106,219
Locomotives ... ..	72,028	50,561	32,413	40,789	37,663
Carriages ... ..	24,991	36,984	15,829	19,929	18,088
Wagons ... ..	72,861	107,371	51,561	61,286	57,298
Pumps ... ..	2,901	1,000	930	957	750
<b>Total ... ..</b>	<b>320,652</b>	<b>480,644</b>	<b>221,418</b>	<b>242,234</b>	<b>220,018</b>
<b>Per cent. of gross receipts ...</b>	<b>5.3</b>	<b>7.5</b>	<b>4.2</b>	<b>4.4</b>	<b>4.6</b>

A reduction of from £80,000 to £100,000 in these charges could, therefore, be effected, and a sum equal to about 4 per cent. of the past year's gross receipts would still be earmarked for betterment purposes. The Company has, however, to save in the aggregate more than this if a dividend of 5 per cent. is to be earned, for with a decrease of £272,000 in gross receipts it has to provide something like £90,000 in the shape of interest on new capital, the issue of short-term notes during the year alone calling for a sum of about £40,000. However, it must be borne in mind that in 1913-14 the Company earned a profit of £1,663,000, or £213,000 in excess of the sum needed to pay 5 per cent. on the share capital. Deducting from this the loss of £272,000 in the gross receipts and the increase of £90,000 in interest charges, the net profit of the past year would still be as much as £1,301,000, or within £149,000 of the sum needed to pay the dividend. A reduction to this extent in the working expenses is, therefore, all that is needed, and inasmuch as the greater portion, if not the whole, of this sum could be saved in the special renewal allocations alone, the task of again earning 5 per cent. on the share capital is an exceedingly easy one. The fact, moreover, that the relatively large balance of £440,000 was brought forward from 1913-14 assures the maintenance of the dividend even if it is not fully earned, a contingency which, as far as can be seen, is not likely to occur. In the following table we set out our estimate for the past twelve months, as outlined above, and add for comparative purposes the actual results for the three preceding years:—

*Central Argentine Railway.*

	Year to June 30—1915*	1914	1913	1912
	£	£	£	£
Gross earnings ... ..	5,786,000	6,058,000	6,489,000	5,224,000
Expenses ... ..	3,398,000	3,547,000	3,719,000	2,930,000
Ratio ... ..	(58.73)	(58.54)	(57.31)	(56.09)
<b>Net earnings ... ..</b>	<b>2,388,000</b>	<b>2,511,000</b>	<b>2,770,000</b>	<b>2,294,000</b>
Miscellaneous income ...	178,000	178,000	174,000	128,000
<b>Net income ... ..</b>	<b>2,566,000</b>	<b>2,689,000</b>	<b>2,944,000</b>	<b>2,422,000</b>
Interest on Deb. stocks	541,000	491,000	438,000	436,000
Western Section Annuity	91,000	91,000	91,000	91,000
6% Notes ... ..	40,000	—	—	—
Miscellaneous interest ...	8,000	8,000	16,000	12,000
<b>Total charges ... ..</b>	<b>680,000</b>	<b>590,000</b>	<b>545,000</b>	<b>539,000</b>
<b>Profit for Preferences ...</b>	<b>1,886,000</b>	<b>2,099,000</b>	<b>2,399,000</b>	<b>1,883,000</b>
4½% Preference stock ...	436,000	436,000	403,000	302,000
<b>Profit for Ordinary ...</b>	<b>1,450,000</b>	<b>1,663,000</b>	<b>1,996,000</b>	<b>1,581,000</b>
Div. on Ordinary stock	1,409,000	1,409,000	1,616,000	1,511,000
Rate per cent. ... ..	(5%)	(5%)	(6%)	(6%)
<b>Surplus ... ..</b>	<b>41,000</b>	<b>254,000</b>	<b>380,000</b>	<b>70,000</b>
Deferred stock ... ..	41,000	41,000	49,000	49,000
Rate per cent. ... ..	(5%)	(5%)	(6%)	(6%)
<b>Surplus ... ..</b>	<b>—</b>	<b>213,000</b>	<b>331,000</b>	<b>21,000</b>
Brought forward ... ..	440,000	227,000	190,000	169,000
<b>Total surplus ... ..</b>	<b>440,000</b>	<b>440,000</b>	<b>521,000</b>	<b>190,000</b>
To renewals fund ... ..	—	—	294,000	—
<b>Carried forward ... ..</b>	<b>440,000</b>	<b>440,000</b>	<b>227,000</b>	<b>190,000</b>

(\*) Estimated.

How soon the Company will be in a position to return to a 6 per cent. dividend basis remains to be seen. As we have indicated very much better results may be expected in the current year, but beyond that everything naturally depends on the size of the crops and the course of events in Europe. Under normal conditions the Company should continue to do well. In the recent past it has spent a large amount of capital on new extensions, improvements, &c., which but for the untoward happenings of the past two years would have undoubtedly raised the earning power of the line to a level hitherto unattained. As it is, and considering the crisis through which the country has passed, the set-back which has occurred has been singularly slight, and as evidence of the great strength and staying power of the undertaking we would refer the

reader to the following comparative statement of the main results of working for the past twelve years:—

*Central Argentine Railway.*

Year	Average Miles Operated	Gross Earnings	Expenses	Ratio %	Net Earnings	Net Profit for Ordinary	Div.
1914-15*	3,307	5,786,000	3,308,000	58.73	2,388,000	1,450,000	5
1913-14	3,151	6,058,000	3,547,000	58.54	2,511,000	1,663,000	5
1912-13	2,994	6,489,000	3,719,000	57.31	2,770,000	1,996,000	6
1911-12	2,870	5,224,000	2,930,000	56.09	2,294,000	1,581,000	6
1910-11	2,644	5,420,000	3,009,000	55.51	2,411,000	1,664,000	6
1909-10	2,482	4,748,000	2,763,000	58.19	1,985,000	1,284,000	6
1908-09	2,392	4,929,000	2,881,000	58.50	2,048,000	1,354,000	6
1907-08	2,392	4,919,000	2,931,000	59.66	1,988,000	1,326,000	6
1907	2,390	4,604,000	2,727,000	59.22	1,877,000	1,189,000	6
1906	2,361	4,531,000	2,553,000	56.34	1,978,000	1,301,000	6
1905	2,347	3,995,000	2,060,000	51.56	1,935,000	1,249,000	6
1904	2,347	3,759,000	1,963,000	52.23	1,796,000	1,110,000	6

\* Estimated.

The Debenture issues of the Company are well-secured investments, and at current quotations they give a return of well over £5 per cent. The  $4\frac{1}{2}\%$  Preference stock, with a margin of profit behind it of £1,450,000, can be bought, at about 79, to yield the investor  $55\frac{3}{4}\%$  per cent. The Ordinary stock is quoted at 80 and on a 5 per cent. dividend basis the yield is  $6\frac{1}{4}\%$ . The price of the Deferred is  $74\frac{1}{4}$ , and in this case a yield of over £7 per cent. is forthcoming. The capital of the Company is as follows:—

	Amount, £	Interest, %	Price, %	Yield, £ s. d.
4 % Debenture stock ...	13,427,781	4	78 $\frac{1}{4}$	5 1 11
3 $\frac{1}{2}\%$ Central Debenture stock ...	123,772	3 $\frac{1}{2}$	79	4 8 11
4 $\frac{1}{2}\%$ Western Annuity ...	2,017,500	4 $\frac{1}{2}$	—	—
6 % 3-year Notes ...	1,000,000	6	102	† 5 12 6
5 % 5-year Notes ...	2,000,000	5	98 $\frac{1}{4}$	† 5 9 3
4 $\frac{1}{2}\%$ Preference stock ...	9,695,718	4 $\frac{1}{2}$	79	5 15 6
Consolidated Ordinary stock ...	28,186,950	5	80	6 8 2
Deferred stock ...	811,800	5	74 $\frac{1}{4}$	7 0 10

Total ... 57,263,521

\* Price July 27, 1914.

† Allowing for redemption.

## FURNESS, WITHY AND COMPANY, LIMITED.

IN spite of the dislocation of business consequent on the War the profits of Furness, Withy and Company, which is primarily a shipping concern, have shown an advance for the year ended April 30 last, as compared with the previous year, and with one exception the twelve months have proved the most prosperous in the Company's history. On the outbreak of war one steamer of the fleet was interned at Bremen, and another is unfortunately held up at Uleaborg, so that the Company has been deprived of the earning power of these two vessels for nine months of the financial year. There have also been lost three vessels, which have been destroyed by enemy submarines, two of them since the close of the financial year. Over 50 per cent. of the total fleet is at present engaged on Government business, a fact which, from the Company's point of view, is perhaps not of unmixed advantage for the shareholders financially, though naturally they will not object from the patriotic point of view. It is announced that the many associated concerns in which the Company holds a controlling interest continue to show satisfactory results. The Middleton shipyard and the Harbour Dockyard of Irvine's Shipbuilding and Dry Docks Company, Limited, have been kept fully employed, their operations including a considerable amount of Admiralty work. By means of its interests in subsidiary companies Furness, Withy and Co., in addition to being an operating concern, is also a large holding concern, and its dividends on investments form a substantial portion of the total profits. For the past twelve months the dividends on investments have brought in £248,764, as compared with £250,233 for the previous year. This very slight shrinkage is more than offset by the increase that has occurred in the Company's trading profits, which have risen from £374,987 to £418,222. The subsidy for postal services has only brought in £7,717, as compared with £8,986, while the effect of the War on the transfer of securities is well illustrated by the drop in transfer fees from £260 to £164. Here-

with we set out the manner in which the total profits are made up for the past 15 years:—

Year ended April 30	Trading Profits	Dividend on Investments	Interest on Advances, &c.	Subsidy for Postal Services	Total
1915	418,222	248,764	164	7,717	674,867
1914	374,987	250,233	261	8,987	634,468
1913	509,527	246,127	707	8,384	764,745
1912	446,705	209,722	239	9,042	665,708
1911	303,134	139,604	194	9,003	451,935
1910	221,389	113,095	150	8,987	343,621
1909	163,849	105,750	192	8,925	278,716
1908	189,629	142,236	226	9,020	341,211
1907	187,232	135,323	246	9,349	332,450
1906	198,301	101,805	1,912	9,318	311,336
1905	86,095	119,101	7,049	8,447	219,692
1904	75,183	102,955	12,920	7,182	198,240
1903	136,470	122,443	—	6,348	265,261
1902	187,033	112,424	—	8,862	308,319
1901	184,639	118,935	—	1,155	307,929

Altogether it will be seen that for the past twelve months the total profits have reached £674,867, as compared with £634,468. The allowance for depreciation remains at the same figure as for each of the two previous years—namely, £350,000. There has been set aside out of profits a sum of £10,000 as a war bonus for masters, officers, and engineers, "as a recognition of the extra strain and vigilance necessary in consequence of the War," an appropriation which will without doubt be unanimously approved by the shareholders, even on the lowest grounds of all, that the extra strain and vigilance are largely responsible for the profits being maintained at so high a figure; and there can be no doubt that a similar attribute is due to the management as a whole, who must have experienced a considerable amount of extra worry during the troublous times of the past twelve months. The dividend on the Ordinary shares is maintained at 10 per cent., a rate which has prevailed since 1912, and a sum of £15,000 has been set aside to inaugurate a superannuation fund for the benefit of the employees in the various offices of the Company. After making these appropriations there is a balance of £10,118, which is added to the carry forward, bringing it up to £141,447.

A comparison of the distribution of the profits for the past six years may be seen from the following:—

Year ended April 30	1915	1914	1913	1912	1911	1910
Total profits	674,867	634,468	764,745	665,708	451,935	343,621
Directors' fees, income tax, &c.	31,319*	13,539	8,605	12,501	11,203	10,628
Depreciation	350,000	350,000	350,000	240,000	179,603	145,416
Net profit	293,548	270,929	406,140	413,207	261,129	187,577
Preference div. (5% on interest and discount)	68,430	70,621	70,620	70,620	70,620	63,218
Ordinary dividend	200,000 (10%)	200,000 (10%)	200,000 (10%)	200,000 (10%)	150,000 (7 $\frac{1}{2}$ %)	100,086 (5%)
Insurance fund, &c.	15,000	—	125,000	125,000	50,000	—
Balance	10,118	308	10,520	17,587	—9,491	24,273
Brought forward	131,329	131,021	120,501	102,914	112,405	88,132
Carried forward	141,447	131,329	131,021	120,501	102,914	112,405

\* Includes £10,000 war bonus for masters, officers and engineers.

Though, as pointed out, the Company is primarily a shipping concern, it has altogether about a dozen distinct sources of revenue, so that, in addition to its income from its shipping business, other revenue is secured from operations as coal owners and distributors, and as general forwarders, insurance and freight brokers, &c. Thus it is not dependent upon the state of any one trade. Its interests are not confined at home, but extend to other countries, including the Colonies; and it should not be forgotten that whilst, on the one hand, the Company has no Debentures, and, therefore, no Debenture charge of any kind, on the other hand, no account is taken in the balance sheet for goodwill; though it can scarcely be gainsaid that the value of the goodwill must be very great, and it is being increased by every working alliance that is formed and every agency established in the commercial centres of the world. The assets of the Company are valued at £5,802,329, the main item of which consists of steamships, freeholds, plant, and other property, investments in shipping and allied works, collieries, and associated companies, stocks of stores, &c., and payments on account of new tonnage—an item, therefore, covering a considerably varied set of assets. Formerly the item was divided into three

parts, but now the whole is shown at £4,104,387. The total reserves reach £1,000,000, of which the reserve fund proper stands at £500,000. Bankers' balances, cash and bills of exchange stand at £899,616. A summary of the balance sheet is appended:

LIABILITIES.		ASSETS.	
	£		£
5% Cum. Preference	1,500,000	Shareholders' deposits, &c.	4,104,387
Ordinary shares	2,000,000	Reserves	500,000
Reserve fund	1,000,000	Bankers' balances	257,977
Shareholders' deposits	614,000	Completed voyage, &c.	40,349
Dividend payable	463,055	Bankers' balances	899,616
Profit and loss	224,724	Land, &c.	...
	5,899,729		5,899,729

The reserve fund proper, amounting as stated to £500,000, is separately invested, and the investments against this reserve are set out in detail. They include an item of £500,000 of the War Loan issued in November last. But the report adds that on the issue of the new loan in June the directors subscribed for a further £150,000, at the same time availing themselves of the right of conversion in respect to their previous subscriptions. This makes a total investment by the Company itself of £200,000, which, together with the amount applied for by the associated and subsidiary companies, represents a total subscription of £550,000 to the new War Loan. Herewith we set out in detail the investments against the reserve fund of £500,000:—

£100,000	Cash on deposit, interest.
40,421	Secured loans at interest.
500,000	War Loan, 1914-28.
4,500	Atchafalpa 1890 Government Bonds.
5,000	Canadian 1911 Government Bonds.
5,000	French 1913 4% Government Bonds.
10,000	North-Eastern Railway Company.
3,000	Great Central Railway Stock.
2,000	Metropolitan Railway Stock.
5,000	London, Chatham and Dover Railway Stock.
20,000	South Durham Steel and Iron Co., Ltd., Debentures.
7,100	Woolham Cement Co., Ltd., Debentures.
100,000	British Maritime Trust, Ltd., Debentures.
50,000	Carzo Fleet Iron Co., Ltd., Debentures.
18,424	Tyne-Tees S.S. Co., Ltd., Debentures.
25,000	Brush Electrical Engineering Co., Ltd., Prior Lien Bonds.
25,000	British and Argentine Steam Nav. Co., Ltd., Debentures.

It is pointed out that advantage has been taken of the high prices ruling for secondhand tonnage to dispose of several of the older vessels of the fleet. During the year three new steamers, specially built for the Pomaron—States service, have been delivered by their builders. The Company has at the present time under construction for itself and its associated concerns 20 steamers, several of which are nearing completion. Six of these are large refrigerated-meat steamers, specially designed and constructed for the conveyance of meat from the Argentine to this country, and are building for the new Company, the Furness-Houlder Argentine Lines, Limited.

Altogether, perhaps with so large a proportion of the fleet employed in Government business it is rather doubtful whether the earnings of the Company for the current year will reach the high standard prevailing during the past three or four years. But, as will be gathered from what has already been stated, the Company occupies a very strong position, and should be able to view any temporary falling off in profits with equanimity. On this point the remarks of the Chairman at the meeting on July 24 will be awaited with much interest; but, as will be noted from the table showing the distribution of profits, the allowance for depreciation for the past three years has been on a very much higher scale than prevailed previously, and it would be possible to maintain the profits available for distribution by a less generous appropriation on account of depreciation purposes. In addition, the carry-forward is now more than £50,000 in excess of that of six years ago. Consequently, even should a substantial reduction in profits occur, there is no likelihood whatever of the 10 per cent. dividend on the Ordinary shares being imperilled. Moreover, the Chairman may be able to take a more optimistic view of the situation, and show that the Company's profits can possibly be maintained somewhere about their present level. In any case, however, the Ordinary shares at their present price of 30s. 3d., affording the substantial yield of over 7½ per

cent., have considerable attractions for investors who are willing to run a certain amount of risk—of, however, a comparatively small character. The £10 Preference shares stand at 8½, at which price the yield afforded is over 5½ per cent. The sum required for the Preference dividend last year was £68,430, and the amount available for it was £293,548, so that the dividend was covered more than four times over, and there was a margin of £225,000 behind it. These shares, therefore, may be considered as well secured and an attractive investment of their class, giving a relatively high yield.

We recapitulate below the capital, prices, dividends, and yields afforded at present prices:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
1,500,000	5% Preference shares	10	8½	5	5 15
2,000,000	Ordinary	1	20	10	7 8 2

\* Tax free.

## NORTH CAUCASIAN OILFIELDS.

THE progress shown by this Company is little short of remarkable. For 1912 the profits were barely £67,000, for 1913 they rose to £280,000, and for 1914 they have further mounted up, reaching the substantial figure of £548,370. For a period of years no dividends were paid by the Company, inasmuch as while a certain amount of profit was obtained energies were chiefly devoted to development and exploitation purposes. Though the Company has been in existence since 1901, it was only in 1911 that the public became interested to any extent in its operations. It will thus be seen that the very wise policy was adopted of proving the property before asking the public to take any considerable interest in the concern, and it is only since March 1913 that it has become of any considerable importance. Early in that year an agreement was entered into with the Shell-Royal Dutch group under which the North Caucasian Oilfields practically became a subsidiary of that very important combination, and one result of the acquisition of control by the international group is that additional oil-bearing land has been acquired, situated about 4½ miles to the south-east of Grozny, where the first property was situated.

Twelve months ago it was estimated that the output for 1914 would reach a total of 25,000,000 poods, but owing to the outbreak of war and the mobilisation of the Russian Army operations on the fields have been considerably restricted, and the output has not quite reached the estimate, though it has reached the very substantial total of 22,204,224 poods (358,133 tons), to which total the old fields contributed 15,529,122 poods (250,470 tons), and the new fields 6,675,102 poods (107,663 tons), these figures being subject to the deductions for fuel, leakage, and royalties in kind. Of the production a total quantity of 20,335,440 poods (327,991 tons) was sold during the year at an average price of 35.04 copecks per pood. For 1913 the sales were 8,517,369 poods (137,376 tons), for which an average net price of 40.72 copecks was secured. For 1914 the average price for the sales has dropped to 35.04 copecks per pood.

As already stated, the profit from sales has amounted to £548,370; interest, &c., has brought in £7,137, making a total of £555,507. For depreciation purposes there has in all been provided a sum of £228,924, of which the allowance for depreciation proper is £172,561, as against £77,358, while £20,000 has been set aside as a reserve against difference in exchange, and £36,363 represents expenditure on certain lands which it has been decided to abandon. Debenture interest, which last year called for £17,984, dropped to £5,022. During the year Debentures to the value of £85,120 were redeemed, and since the closing of the accounts the remainder have been paid off, so that the Company is now clear of any Debenture debt. The dividend on the Ordinary shares is maintained at 25 per cent., after which there is a surplus of

£121,525, which is added to the carry-forward, bringing it up to £139,214.

A comparison of the profits of the past three years is appended herewith:—

	Year ended Dec. 31	1914	1913	1912
		£	£	£
Gross profit on sale of oil ... ..		518,579	280,366	66,963
Interest, exchange, &c. ... ..		7,107	4,320	63
		555,507	284,716	67,026
Expenses ... ..		16,366	17,532	19,205
Depreciation reserve, &c. ... ..		228,424	77,558	36,651
Debt interest and royalties ... ..		6,022	17,381	6,887
Balance ... ..		304,598	171,842	13,283
Preference dividend ... ..		5,460	5,460	5,460
Ordinary dividend ... ..		167,613	123,716	—
		(25%)	(25%)	—
Surplus ... ..		131,525	42,666	7,823
Brought forward ... ..		7989	406	7,417
Earned forward ... ..		139,214	43,072	406

Out of the substantial carry-forward there is to be paid Russian Government taxes which are estimated at £119,636. Last year the tax was £35,383, and the increase is brought about by the rise in income tax, an item which, according to the Chairman, is likely to be heavy for a long time to come.

At the end of 1914 the capital expenditure in Russia reached a total of £946,109, but this is reduced by the allowances for depreciation reserve to £638,660. There is a premium reserve amounting to £102,108.

In the following statement we set out the position of the Company as at December 31, 1914:—

LIABILITIES.		ASSETS.	
	£		£
Share capital ... ..	717,300	Capital expenditure ...	946,109
6% Debentures ... ..	2,700	Less depreciation reserve ...	307,449
Premium reserve ... ..	102,108		
Sundry creditors, &c. ... ..	220,576	Stocks ... ..	638,660
Profit and loss ... ..	123,108	Sundry debtors, &c. ... ..	143,591
		Cash at bank and in hand ...	68,684
			344,857
	1,195,792		1,195,792

As pointed out, since the closing of the accounts the Debentures have all been redeemed, being converted into Ordinary shares at par, thus bringing about the issue of the balance of the Ordinary shares, making the authorised capital fully paid up. It consists of 78,000 of 7% Preference shares of £1 each and 1,344,000 Ordinary shares of 10s. each. The Company has producing at the present time 50 wells, six new wells having been brought in during 1915. Within the past week or two there have been purchased two further plots about four miles to the south-east of the old plots in the Grozny area, and at the meeting on July 15 the Chairman pointed out the probability of further additions, "because it will always be a part of the policy of this Company to acquire further territory wherever good opportunity offers, and you can understand that in Russia to-day opportunities do offer, and may offer still further, for the acquisition of plots at perhaps rather moderate prices—at any rate far more moderate prices than existed prior to the War." We have already referred to the fact that it has been decided to abandon the Berekei Lands, one of the early acquisitions of the Company. A considerable amount has been spent on this property without any results being obtained, and it was finally considered that it was inadvisable to retain it any longer.

Since the close of the year the production has been well maintained, and for the first four months of 1915 it has amounted to 7,451,594 poods (120,187 tons), and 6,416,963 poods (103,500 tons) have been sold at an average price of 32.40 copecks per pood, and the Chairman states that, as regards the price of oil for the current year, as far as can be seen at present it looks as if an average of about 35 copecks may be forthcoming, which will prove very remunerative. As regards the outlook as a whole, it is described as being extremely satisfactory considering the prevailing conditions, inasmuch as a larger amount of oil has been produced to date than was the case during the corresponding period of last year, and the price is likely to be maintained at the average for last year. Altogether, therefore, the shareholders may look forward with considerable confidence to the profits being at any

rate maintained at last year's figure, while there is a probability of exceeding them; and it should be noted that it will not be necessary to set aside again the amount written off on the abandonment of the Berekei Lands of £36,363, which of itself is sufficient to provide for a 5 per cent. dividend. The 10s. Ordinary share is now quoted at about 28s., and on the basis of a 25 per cent. dividend the very high yield of 9½ per cent. is forthcoming. Thus the shares may be regarded as a distinctly attractive oil investment. With the possibility of a higher distribution for the current year, coupled with the potentialities possessed, we are inclined to regard the shares as one of the most promising in the whole of the Oil-share market, and we confidently anticipate that a higher price will be witnessed.

## HOWARD AND BULLOUGH.

In our article on this Company last week we regret that through an oversight we stated that the shareholders had received no direct benefit from the special profit secured through the sale of Preferred shares in the H. and B. American Machine Company in May 1912. As a matter of fact, although the profit was carried to the reserve fund, the directors paid therefrom a special bonus of 6s. 8d. per share on the Ordinary shares, in addition to the distribution of a 10 per cent. dividend and a 5 per cent. bonus, the shareholders thus receiving from the sale an extra dividend of 33½ per cent. Moreover, in the table of profit distribution we showed that for 1913 the distribution was 10 per cent., but it should be pointed out that subsequent to the issue of the accounts a bonus of 1s. 2d. per share was paid. It will thus be seen that the shareholders have been even more fortunate than was indicated in our article, and that, prosperous as we showed the Company to be, the actual prosperity and strength of the Company is even greater.



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PERSONAL ACCIDENT AND ILLNESS. BURGLARY.

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LONDON { 82 KING WILLIAM STREET, E.C.  
OFFICES { 14 WATERLOO PLACE, PALL MALL, W.

## Insurance Notes.

### PHŒNIX ASSURANCE COMPANY, LIMITED.

From 1782 to 1908 the business of the Phoenix up till 1907, but the operations of the Company now cover practically every description of insurance hazard transacted by joint-stock companies. The Company was established in 1782, and under its auspices the Pelican Life Office was founded 15 years later. Although these two concerns acted in friendly co-operation for many business purposes, for more than a century they remained independent organisations until their amalgamation on July 1, 1908. The Pelican had itself absorbed in 1903 the British Empire Mutual Life Office, with which the Positive Government Security Life Assurance had been fused in 1895. A further development of the Phoenix life department took place in 1910, when the business of the Law Life Assurance Society was purchased. In 1907 the Phoenix commenced the transaction of accident and miscellaneous insurance. In 1910 it opened a marine department, and in the following year the undertaking of the Union Marine Insurance Company was acquired. Thus the Phoenix during the last few years has become one of the most comprehensive of insurance companies. Its capital is of large amount, there being 309,755 shares of £10 each, with £1 paid, and 113,100 fully-paid (known as "Pelican") shares of £1 each. The subscribed capital represents £3,210,650, of which £422,855 is paid up and £2,787,795 is uncalled. This forms a very strong second line of security to policyholders, beyond that offered by the departmental and other reserves. The Company has made the following issues of 4% Debenture stock, both of which are now in force: £1,000,000 in 1910, when the Law Life Assurance Society was taken over; and £277,950 in 1911, on the acquisition of the Union Marine Company.

The dividend declared in respect of the operations of 1914 is 8s. per share, 3s. 6d. having been paid in interim form last October, and 4s. 6d. representing the

final dividend for the year. The same dividend was paid for 1913. Both denominations of shares, whether partly or fully paid, are entitled to the same rate of dividend, their paid-up amount being £1 in each case. It will be seen from the following analysis that more than two-thirds of the amount required for distribution of dividends on shares was provided out of interest earnings, apart from trading profits.

The Company's fire premiums in 1914 amounted to £1,428,371, showing an increase of £24,568. The estimated trading profit amounted to £69,613. This is little more than half the corresponding profit (£127,638) shown in the 1913 account, but is not unsatisfactory, looking to the fact that 1914 was a very lean year according to the experience of British fire offices, particularly in the American and foreign fields. The interest earnings on the fire funds aggregated £64,043.

The marine account shows a great advance in premium income and an increase in profits. The premiums amounted to £712,774, which is one of the highest figures we remember seeing recorded by any office in this department, exceeding by £114,966 the Company's own marine premium income in 1913. The estimated amount of trading profit, £40,000, is evidently a conservative computation, for the increase thereafter shown in the amount of the marine insurance fund is £129,839, which exceeds, as will be observed, the increase in the premiums. The interest earnings on the marine fund amounted to £20,045.

The employers' liability, accident and general insurance account shows a premium income (increased by £6,941) of £97,021 and a trading profit of £11,545, irrespective of interest earnings of £3,817.

The profits from the life business are not annually taken into account, but are credited as at the quinquennial valuation dates. The quinquennial valuation of the ordinary Phoenix life business takes place at the close of the present year; but that of the acquired Law Life business was made as at December 31, 1914, and, as shareholders' profits arising therefrom are dealt with in last year's accounts, it may therefore be here alluded to. That investigation is reported to have been made in accordance with the regulations entered into when the fusion took place. After writing £232,222 off the assurance fund, thus putting Stock Exchange securities on the level of estimated market values on December 31, 1914, the Law Life valuation is reported to have disclosed an available surplus of £314,434, of which surplus £54,852 represented the proportion of profits due to the Phoenix Company's shareholders, the balance of £259,582 being apportioned to Law Life policyholders.

Thus the Phoenix Company's departmental profits taken into account in 1914 were as follows:—

Department	Trading Profit	Interest Earnings
Fire	£69,613	£64,043
Marine	40,000	20,045
Accident and general	11,545	3,817
Life	54,852	—
	176,010	87,905

But to the profits from interest has to be added the net revenue from interest and fees not departmentally credited, but appearing in the profit and loss account (£70,323), less income tax on profits (£10,754), amounting to £59,569. Thus the total profits dealt with are increased to £323,484, of which the sum of £176,010 represents trading profits and £147,474 net interest earnings, less income tax on profits.

These profits have been appropriated as follows:—Securities in the fire, marine, and Law Life guarantee funds have been written down by £134,000; a provision of £15,220 has been made for bad and doubtful debts; the full dividend for the year and the interest on Debenture stock, less income tax, apparently absorb £203,956; while the balance of profit and loss account carried forward thereafter is diminished by £29,692 as compared with the corresponding balance brought forward from 1913.

Excluding capital and life funds, the reserves carried forward to 1915, after provision of the full year's dividend in respect of 1914, are as follows:—

Fire insurance funds	...	...	...	...	£
Marine insurance funds	...	...	...	...	1,850,000
Employers' liability, accident and general insurance funds	...	...	...	...	660,279
Less reserved for outstanding claims	...	...	...	...	£104,044
					27,477
Balance of profit and loss account	...	...	...	...	76,567
					164,020
					2,750,866

These reserves disclose a strong financial position, representing as they do about 123 per cent. of the total premium income (£2,238,167) in the fire, marine, and miscellaneous (excluding the life and sinking fund) departments.

That part of the Company's annual report for 1914 dealing with the life department shows that the new life business amounted to £1,451,507, of which £184,764 was reassured, the net retention being £1,266,743, as compared with £1,356,053 in 1913. This seems a satisfactory result, looking to the circumstances, particularly affecting life business, since the outbreak of the War. Of the net amount transacted last year, policies for £1,026,351 were effected within the United Kingdom. The balance of £240,392 elsewhere transacted was probably mainly accounted for by new business in Canada and in India, in which countries the Company's life department is actively represented. The total net life premiums, increased by £13,014, amounted to £727,097, in addition to which the sum of £125,621 was received as consideration for new annuities granted. Claims by death amounted to £622,469, which is stated to have been "within the expectation." Policies for £122,146 matured by survivance. The life assurance funds at the close of the year amounted to £10,994,189. The rate of interest, calculated on the average amount of the life funds during the year, is reported as £4 0s. 6d. per cent., after deduction of income tax. The corresponding rate reported for 1913 was £4 1s. 9d. per cent., and the slight decrease is more than accounted for by the addition to the income tax. As above stated, a quinquennial valuation will be made on December 31, 1915. The bonuses declared at the last quinquennial distribution of profits on Phoenix policies were at the rate of 34s. per cent. per annum over the quinquennium, in reversionary form.

The sinking fund and capital redemption premiums amounted in 1914 to £35,601, and the relative fund at the close of the year to £361,306.

The total assets shown in the Company's balance sheet on December 31, 1914, amounted to £16,457,945. In the case of the fire, accident, marine, Law Life and guarantee funds the value of the Stock Exchange securities stood in the balance sheet at the market price on December 31, 1913, for such securities then owned, and at cost price for those subsequently acquired, less a deduction to cover estimated depreciation in 1914. In the case of the other life funds, the book prices being reviewed at quinquennial valuations, no revision of values was made.

### BRITISH ELECTRIC TRACTION REORGANISATION.

It will doubtless be remembered that in July last year the directors of this Company issued a memorandum embodying proposals for a reduction and reorganisation of capital, on which the shareholders were asked to express their views. The replies received showed that a large majority of each class of stockholder and of the Income Certificate holders who expressed their views were in favour of the scheme, but as presumably the number of replies was considered scarcely representative the directors decided to defer action for the time being. But at the annual meeting on June 25 Mr. Emile Garcke, the Chairman, pointed out that the directors considered that the time had at length

arrived when the matter should be seriously taken up, and that, subject to some small modifications, the scheme should be proceeded with. Accordingly, a circular has now been issued giving details of the scheme.

The proposals put forward are designed to obviate the large allocations of net profits for past depreciation of investments, and thereby render a far larger proportion of the Company's earnings available for distribution as dividend.

The broad outline of the scheme may be given in a few sentences.

At the present time, excluding the Debentures, which are not affected, there are four classes of stocks, two Preference and two Ordinary, all ranking equally as to capital—and the total issued capital is £2,947,380. This sum is to be written down by £1,001,602 by converting the four existing stocks into two new stocks as follows: £686,107 new 6% Cumulative Part Preference stock, with priority as to capital, and £1,259,670 new Ordinary stock, ranking after the Preference stock both as to capital and dividends.

The Income Certificates at present form no part of the capital, but have certain rights as to redemption, for the cancellation of which they are to share in the new stocks, and when these are added the net effect of the scheme is to write down the capital of the Company by £908,372.

It may be added that with these two stocks, together totalling £2,039,007, the average profits of the Company are sufficient to pay the full distribution to all Preference stockholders and 4 per cent. or more to the Ordinary stockholders, which, from whatever point of view we regard it, is something very far in advance of any possibility in the present situation.

The conversion rights of the various classes of stock, briefly summarised, amount to this: The Preference holders share none of the burden of capital reduction, the 6% Cumulative Preference stock converting in its entirety into the new Preference stock, and the 7% Non-Cumulative Preference stock converting to the extent of 35 per cent. new Preference stock and 65 per cent new Ordinary stock.

It will be noted that the rearrangement increases the total amount of Preference stock, and by way of compensation for this fact the new Preference stock is conceded priority as to capital, and also a right to participate in further profits up to 8 per cent. after the Ordinary stock has received a similar amount.

Upon the Ordinary stockholders falls the reduction of the capital, which is the price to be paid for the very tangible asset of immediate participation in profits. The 6% Preferred Ordinary Non-cumulative stockholders are to receive 50 per cent. of their holding in new Ordinary stock, and 50 per cent. will be written off for depreciation of the investments. The Deferred Ordinary stockholder will secure 30 per cent. new Ordinary stock, and 70 per cent. will be cancelled.

The Income Certificates are on a somewhat different footing. They are outside the Ordinary issued capital, having no capital rights attached to them, and bear no interest. Their only claim is one for redemption out of such part of the profits as can be set aside for the purpose in each year after the full distribution to the Preference holders has been paid. Clearly their actual value at the present time is practically negligible, and their proposed conversion into 10 per cent. of new Preference stock and 25 per cent. of new Ordinary stock represents a very liberal exchange.

The net effect of the whole proposal will be to create two single kinds of stock of a total capital of £2,039,007, upon which there is every hope of substantial dividends being paid.

As we pointed out in July last, the scheme seems a fair attempt to meet divergent interests, and doubtless the shareholders as a whole will be prepared to support the board and sanction the proposals.

# W. AND T. AVERY, LIMITED.

IN so far as the accounts show the actual state of affairs, the twelve months to March 31, 1915, have been the most prosperous in the history of this well-known Birmingham Company of weight-bearing manufacturers, the balance of revenue account for the year amounting to £47,680, as compared with £41,897 for the twelve months to March 31, 1914. It will be recalled, however, that the Company is one of several Birmingham industrial concerns which have adopted a policy of establishing an internal reserve fund. In this particular instance the directors are empowered to place to the internal reserve before profits are declared a certain sum at their discretion, provided they are able first of all to recommend a dividend of at least 10 per cent. Since the formation of the internal reserve the dividend has been steadily maintained at the 10 per cent. rate, up to the present time, when the extra profits that have been made have warranted the directors in raising the dividend from 10 per cent. to 11 per cent., and it seems most probable that before showing the profits a substantial amount has been added to the internal reserve. The net trading profits for the year have amounted to £37,683, as compared with £33,535. A new issue of Debenture stock has been made, and, consequently, Debenture interest has called for £7,126, as compared with £4,000. Similarly the Preference capital has been increased, and the Preference dividend now requires £9,180, as compared with £5,878. The Ordinary capital has likewise been increased, and whereas twelve months ago the amount of Ordinary capital in issue was £106,625, it is now £143,223. The increase in the capital is occasioned by the taking over of the business of Henry Pooley and Son as from September 30, 1913. There has been carried to reserve £7,000, as compared with £11,500 for the previous year.

We give below a comparison of the manner of distributing the profits for the past seven years:—

Year ending March 31—	1914	1913	1912	1911	1910	1909
Net trading profits	£ 33,535	£ 30,869	£ 25,300	£ 25,996	£ 25,163	£ 24,679
Int. on Debs. ...	7,126	4,000	4,000	4,000	4,000	4,000
Prof. div., 5% ...	30,557	29,535	26,869	21,300	21,163	20,679
Ord. div....	9,180	5,878	5,878	5,878	5,878	5,930
	21,377	23,657	20,991	15,422	16,118	14,749
	14,764	10,662	10,662	10,662	10,662	10,662
	(11%)	(11%)	(10%)	(10%)	(10%)	(10%)
To reserve fund ...	6,613	12,995	10,329	4,760	4,623	4,087
Balance ...	7,000	11,500	10,000	5,000	4,500	4,000
Balance ...	—387	1,495	329	—249	456	87
Carried forward ...	9,607	8,502	8,173	8,413	7,957	7,816
Carried forward ...	9,607	8,502	8,173	8,413	7,957	7,816

The total share and loan capital in issue at the present time reaches £505,158, while the reserve fund, with the allocation of £7,000 from last year's profits, will reach £77,000. It may be added that this is the net balance after writing off from it £71,393 for goodwill. By writing this off the Company has eliminated paper assets. The depreciation reserve which is shown as deducted from property account amounts to £113,451, and when the internal reserve is taken into account there is little doubt that the assets are shown in the books at a figure below their real value. The properties now stand in the books, net, at £278,029. Herewith we summarise the liabilities and assets as at March 31 last:—

LIABILITIES.	£	ASSETS.	£
5% "A" Cum. Pref. shares	124,800	Properties, machinery, &c.	278,029
5½% "B" Cum. Pref. shares	68,600	Stock-in-trade, &c.	132,548
Ordinary shares	143,223	Sundry debtors	38,574
	336,658	Investments	127,079
4% Debentures	67,000	Investments	127,079
4½% Debenture stock	101,500		127,079
	505,158		127,079
Sundry creditors	38,047		127,079
Reserve fund	70,000		127,079
Mortgage	10,100		127,079
Profit and loss	32,273		127,079
	655,578		655,578

Of the five classes of shares and loan capital in issue quotations are available for three. The First Mortgage Debentures, which are entitled to 4 per cent., are quoted at 92½, giving a yield of £4 6s. 8d. per cent. The "A" Preference shares, which are entitled to a 5 per cent. dividend, stand at 5½, giving a yield of £4 16s. 5d. per cent. The £1 Ordinary share stands at £2, and on the basis of the 11 per cent. paid for the past twelve months the yield is just about 5½ per cent. As there is no question of the ability of the Company to maintain this dividend, assuming a continuance of the present good management, the shares form a satisfactory 5½ per cent. industrial investment. Particulars of the present capital and prices are appended:—

Amount	Description	Per	Price	Int.	Yield
£		£	£	%	£ s. d.
67,000	4% 1st Mort. Debs.	100	92½	4	4 6 8
101,500	4½% Deb. stock	100	—	4½	4 6 8
124,800	5% "A" Pref. shares	5	5½	5	4 16 5
68,600	5½% "B" Pref. shares	1	—	5½	—
143,223	Ord. shares	1	2	11	5 15 0

## Correspondence.

### LABOUR AND CAPITAL: THEIR RESPECTIVE SHARES.

To the Editor of THE STATIST.

SIR,—If this, which I have just received from America, has not already reached you, I think it will be of interest to readers of THE STATIST. A special Committee of the National Civic Federation has been investigating the share of the total wealth produced by the manufacturer which goes to the capitalist and the worker respectively. They were induced to do so by various statements in circulation to the effect that "the percentage of wealth produced received by the worker" was according to one estimate 51.17 per cent., and according to another only 18 per cent. Here are the calculations:—

In 1899 the value of the product per worker was \$2,420, the cost of materials was \$1,395; and the difference, \$1,025, was the added value. From this \$1,025 there had to be deducted the cost of conducting the business, taxes, advertising, rents, royalties, insurance, travelling, &c., which brought the net fund down to \$889 per employee. Of this sum \$590, or 66.4 per cent., went to labour, and \$299, or 33.6 per cent., to capital. But out of the \$299, depreciation allowance, estimated at 5 per cent. of the capital invested, had to be provided. This was equal to \$124 per employee, which left \$175 for interest and profits. "With no allowance for depreciation the share of capital appears to be practically half that of labour. With due allowance for depreciation the share of interest and profits appears as practically three-tenths that of labour. Similar calculations applied to the Census figures for 1899 and 1904 show that not only are payments for services higher at each successive Census, but that they bear a larger proportion to the total which is divisible between capital and labour. They show that the aggregate return of capital is a smaller proportion of this total, and that after proper allowance is made for depreciation, profits and interest combined have declined to an even greater extent.

"While the average annual wage in manufacturing industries has increased from \$247 to \$518 in 60 years, the normal rate of interest has decreased one-fourth.

"Wages and salaries are both still increasing, and the increase was especially large from 1899 to 1909."—I am, Sir, Yours, &c.,

W. M. ACWORTH.

The Albany, Piccadilly, July 13, 1915.

HONGKONG AND SHANGHAI BANKING CORPORATION.—Interim dividend of £2 3s. per share, subject to deduction of income tax, for the half-year ending June 30, 1915.

## Scottish Provident Institution.

(ESTABLISHED 1837.)

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## Commercial.

### THE COPPER POSITION.

INCREASING output seems now to be telling upon the Copper market, in which the tone has for some weeks been decidedly hesitating. When refined copper is held by producers for about £96 a ton, and cash standard copper is below £80, it is clear that sooner or later something must happen—either standard copper must go up or refined copper must come down. A difference of £16 a ton is merely ridiculous. In ordinary circumstances so excessive a discount upon standard copper would lead to purchases of this class of material by American refiners, who would take up the warrants and ship the material represented by them to America for refining, while the finished product would in all probability be returned to Europe in the form of electrolytic copper. Some months ago, when conditions were favourable, the Amalgamated Copper Company purchased 1,000 tons of Rio Tinto copper, and engaged a vessel to convey it from Wales to America; but the British Government refused to permit the copper to leave this country, so that the transaction was sterile. For weeks now the premium on electrolytic has been wholly abnormal, and a restoration of more favourable relations between this and standard has been delayed, mainly because the ordinary channels of adjustment have been blocked by the embargo upon shipments. There is every indication now, however, that the apex of the upward movement in prices of refined copper has been seen. The efforts made to increase output in North America are bearing fruit, and larger quantities of refined copper are now becoming available from week to week.

At the beginning of the current year the bulk of the American producers had, since the War broke out, been operating on a 50-60 per cent. basis, and it is improbable that in any case production was at the pre-War level. A considerable proportion of the smaller producers had, indeed, as is pointed out in the United States Geological Survey just issued, shut down their plants altogether where this could be done without

great loss, and developments and improvements generally had been suspended. Refined copper was then selling at about £60 a ton, wages had been reduced in all mining centres, and men were either paid off altogether or employed on part time only. Early in January, however, matters took a turn for the better, with a notable improvement both in the demand and in the prices realised, producers eventually succeeding in obtaining about 20½ cents. a pound for their material, equal at a normal rate of exchange to about £93 a ton f.o.b., the highest point reached since 1907; and under the favourable conditions prevailing output has been stimulated steadily, and is now believed to be fully up to the level of a year ago, while the industry is reported to be generally in a fairly prosperous condition.

The determining factor is undoubtedly the increasing output. It is difficult to determine how far the cutting off of Germany and Austria from the Copper market is really affecting the position, because of the huge orders placed by the Entente Powers for copper in one form or another. The exports of copper from the United States to Europe for the ten months ended April 30, 1915, amounted to 257,000 tons, against 362,000 tons in 1914; but the exports to Austria, Belgium, Germany, and Holland during that period actually decreased 176,000 tons, details being as follows:—

	1914 Tons	1915 Tons
Austria-Hungary	15,043	1,332
Belgium	3,391	346
Germany	118,029	9,934
Holland	61,711	13,724
Total for 10 months	201,177	25,337

Production is now being increased very rapidly, as has already been stated. The Utah Company in May established a fresh record, with an output of 6,300 tons, whereas in February the production was only 3,650 tons. All the mines of the Anaconda are now working full time, even running on Sundays in order to supply the pressing demand for furnace material. The Inspiration Consolidated Company, which has been getting ready for a long time, has now entered the producing ranks, and a monthly yield of 4,500 tons of copper is expected when the plant gets into full working order, which is expected to be by October at the latest. Alaska is beginning to cut an important figure as a copper-producer, and the Kennecott Company last month produced nearly 3,000 tons, while the July and August production should be even larger. The Chile Copper Company, which started its 10,000-ton mill about the middle of May, is expected to be working up to full capacity by the end of the year, and has the aim of increasing the capacity to 30,000 tons of ore daily. The Greene-Canaan property in Mexico, which closed down last August, was put into commission again within the last few days, the mines and smelters having been kept in good condition to allow of an early start. The Copper market is dependent entirely now upon the progress of production, and it is eminently desirable that a conservative view should be taken of the position by consumers until some new development occurs likely to affect matters materially one way or the other. It must always be remembered that war is a "bear" point, and not a "bull" point, though this fundamental consideration has been lately almost entirely overlooked in the copper trade.

This week the price of copper has given way severely, receding to 75½ "spot" and 77 "forward."

### LANCASHIRE COTTON INDUSTRY.

It is not possible to report any real revival of demand in yarn and piece-goods during the past fortnight. Buyers continue to adopt a cautious policy, and very few of the orders placed are for anything more than to meet urgent requirements. Quotations continue firmly held, as in most instances producers have already cut prices very fine, and it is not possible to

meet buyers, it being a recommendation to stop machinery.

Increased attention is now being given to the entry of raw cotton and cotton yarns into enemy countries. Striking figures have been mentioned in Parliament this week, and, although the Government is faced with difficulties, it is agreed that more drastic action should be taken so as to prevent, if at all possible, supplies going into Germany. With regard to cotton yarns from this country, shipments can now only take place to neutral European ports on licence, and numerous houses in Lancashire are being seriously harassed by the delay in obtaining permits. Undoubtedly countries such as Holland, Switzerland, Norway and Sweden have obtained supplies in the past from Germany, and these are not now available, with the result that more business is coming to Lancashire.

In cloth circles the outstanding feature continues to be the holding off on the part of buyers for India, and although the reports relating to the monsoon are encouraging, dealers abroad are still adopting a waiting policy. Looms engaged on shirtings and light fabrics suitable for our Dependency are fast running out of work, and it is said that Blackburn, which is the town most affected, is worse situated than at any time since the beginning of the War. A rather increasing demand is now coming through for China, and, in addition to staple goods being purchased more freely, a larger turnover is taking place in dyed cloths. Numerous minor markets provide a fair sorting-up trade, but the total sales do not amount to very much. Some improvement is now showing itself in printing cloths, and Burnley is a little better situated. Although there is not quite the rush of business in the home trade experienced a little time ago, the undercurrent of demand is healthy enough.

Some figures have been prepared, based on the stock-taking results of 29 spinning companies for the past three and six months, and it is of interest to note that the working of these concerns has resulted in a profit on share capital of 3.52 per cent. per annum, and on share and loan capital combined a profit of 2.65 per cent. per annum, after allowing interest on loans.

American yarns for home use are not particularly active at the moment, but producers of coarse numbers continue to do fairly well. Doublers are busy, and are engaged for several months ahead. The lower counts in Egyptian yarns are sold to a moderate extent, but the depression is still very acute in fine numbers. Fresh business in yarns suitable for the Continent is thoroughly disorganised by the embargo of the Government on exports, but a fair business continues to be done for India.

## STEEL AND COAL.

THE holidays, which began in Scottish industries yesterday (Friday), will afford a much-needed opportunity for making repairs, renovations, and a general overhaul of the machinery, which has been working at very high pressure since last year. In the steel and iron trades particularly the week's cessation from work is greatly needed, if only as a preparation for the extraordinarily busy times at hand. Though consumers at home and abroad have hitherto had considerable difficulty in securing deliveries, that difficulty will be vastly increased after the holidays. Government demands, especially for tested steel of high tensility, are increasing, and accumulating to such an extent that certain mills will be turning out only Government material.

When the figures of the output of the past year become public property, it will be found that some extraordinary records have been created, notwithstanding the shortage of labour, the early difficulty of securing coal, and other drawbacks, which at one time were dangerously near crippling the industry to a very serious extent. In view of the huge demands of the British and Allied Governments, private customers

will be wise to look well ahead for future requirements. The United States and Canada may provide a little relief; but the latest reports from those countries indicate almost as serious restriction of ordinary trade requirements.

Sheet-makers have been unable to meet demands for galvanised work, owing to the famine in spelter; but they are offering an excellent substitute in black-painted flat and corrugated sheets at half the price of the galvanised article.

In the Scottish coal trade conditions are much the same as last reported. Sweden is still cut off for exports, and licences are issued more or less sparingly according to the conditions in each district. Large French orders are expected shortly, and as there is no restriction on exports to France, Scottish collieries will be kept busy.

**BANK OF LIVERPOOL COLLECTION.** The net profits for the year ended June 30, including £46,554 brought forward, amount to £410,493. The directors have declared a half-yearly dividend of 4s. per share, subject to deduction of income tax, making for the year a total distribution of 15 per cent. (same as last year). They have transferred from profits £75,000, and from reserve fund £150,000 to investment reserve account, leaving the balance of reserve fund at £900,000, and the profits carried forward to next account of £75,400. Owing to a mistake in telegraphing the report the figures of the transfer from profits and from reserve fund given in Saturday's issue were incorrect.

**FOREIGN AND COLONIAL INVESTMENT TRUST COMPANY.**—Interim dividends for the half-year ended July 10 at the rate of 5 per cent. per annum on both Preferred and Deferred stocks.

**IMPERIAL BANK OF CANADA.**—Dividend for quarter ending July 31, 1915, at rate of 12 per cent. per annum upon the paid-up capital stock.

**WILLIAMS DEACON'S BANK.**—Interim dividend for the half-year ended June 30 last at the rate of 14 per cent. per annum, less tax.

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## MEETINGS OF PUBLIC COMPANIES.

### NORTH CAUCASIAN OILFIELDS, LIMITED.

THE annual general meeting was held on July 14 at Winchester House, Old Broad Street, Mr. Francis Allen, the Chairman of the Company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: Turning at once to the first page of our report, the item which will require mention is that of the Russian Government taxes, estimated at £119,636. Last year our tax amounted to £35,383, and it has risen very largely this year on account of the big increase placed on the income tax by the Russian Government. It is not a matter that we can avoid, nor, I think, is it a matter that we would wish to avoid. The Company, despite prevailing conditions, has prospered well during the past year. Turning to the next page, you will see that our Debentures have all been redeemed and we are now clear of any Debenture debt. That accounts for the fact that in paying our final dividend we are paying on the full number of our Ordinary shares, namely, 1,344,000, whereas our interim dividend was paid on a lesser number, because at that time the option to exchange Debentures had not been entirely exercised.

#### Output and Price Realised.

As regards our output for the year 1914, when we met you last year we had estimated for an output of 25,000,000 poods, but, for reasons mainly connected with the War, we have not reached that total. The figure is over 22,000,000 poods, but it is not up to what we had expected. A large number of our staff were mobilised and we had to stop a considerable amount of our drilling for the time being, until we could see our way ahead. Of that 22,000,000 poods, 15,529,000 came from the old fields and 6,675,000 from our new fields. The price that we realised for the oil was, as I warned you last year would be the case, somewhat less than the average of the preceding year. In 1913 our average price was over 40 copecks per pood, but this year you will see that it only amounts to 35.04 copecks. As regards the price of oil for the current year, as far as we can see at present, it looks as if you may count upon a price similar to that obtained in 1914—that is, about 35 copecks, in which case it will be a very remunerative price for this Company. With reference to the outlook for the present year, we can only say that, considering the prevailing conditions, it is extremely satisfactory. To date we have produced a larger amount of oil than we did during the corresponding period of last year. The average price of the oil keeps up, and we are in a position to-day to be able to say that on October 1 of this year we shall distribute an interim dividend of 1s. per share. There has been a rumour put round in different directions—I have seen it referred to in the newspapers—to the effect that we had no cash in this country, and that all our cash resources were locked up in Russia and we could not bring them here on account of the great difference in exchange. As a matter of fact, we have £200,000 cash on this side. We have the money in hand for the dividend which we are distributing to-morrow, and we have the cash in hand for the interim dividend which we shall send out on October 1, and, further, we have cash in hand here to carry us on until we pay another dividend about this time next year. (Applause.) As regards our cash in Russia, we have accumulated at the Azov-Don Bank at Petrograd so far 2,000,000 roubles, which at the normal exchange—to-day it is not normal by any means—would represent about £200,000, and Mr. MacGarvey is adding each month to that sum at the rate of about 260,000 roubles. When, therefore, we meet again at this time next year we should have, at the normal rate of exchange, something like half a million sterling at our bank in Russia. Of course, we shall require next year to draw on that money for the payment of our dividend for the year, but we cannot forecast now what the rate of exchange is going to be. The rate undoubtedly will come down when the Dardanelles are opened, but until then nobody can forecast anything.

#### Further Territory Acquired.

Within the last few days we have purchased two further plots about four miles to the south-east of our old plots in the Grozny area, and we have reason to think that the purchase is a very good one. We are in the pleasant position of having plenty of money over there to pay for those plots. We may before very long be adding to those plots, because it will always be a part of the policy of this Company to acquire further territory wherever good opportunity offers, and you can understand that in Russia to-day opportunities do offer, and may offer still further, for the acquisition of plots at, perhaps, rather moderate prices—at any rate, far more moderate prices than existed prior to the War. As you have noticed, we have abandoned a property called the Berekei, which has stood for some 13 years upon our accounts

We have again to express our indebtedness to our staff in Russia. The difficulties which have fallen on them owing to the War have not been anything like so great as they might have been, because of the wise way in which they have always looked forward to what our requirements would be. With regard to the purchase of casing, Mr. MacGarvey was so well ahead in that respect that, instead of finding ourselves hampered by the War for lack of material, we find ourselves in possession of a very large stock, which could no longer be acquired at all, and therefore our drilling operations will go ahead very much in the normal way. We have producing at the present time 50 wells, and during the year 1915 we have brought in six new wells. We have also brought in four old wells by deepening them to another layer; two of our wells have been closed down, as since we started them we have not had the labour available. You may therefore take it that everything we can prudently do is being done to keep the business on a very sound and business-like footing.

Mr. H. W. A. Deterding seconded the motion, which was carried unanimously.

### INVESTMENT CORPORATION OF CANADA, LIMITED

THE fourth annual general meeting was held on July 15 at Winchester House, E.C., Mr. Henry Allan presiding.

The Chairman in moving the adoption of the report and accounts and the declaration of the dividend recommended, said: The report and accounts for the year ended April 30 show a position of affairs which, in view of all circumstances, must be regarded as very satisfactory. In spite of the effects of the War our net profits have not been very seriously reduced, and we are enabled to recommend a dividend of 7 per cent. on the Ordinary stock, the same as last year, after adding £5,000 to reserve fund and making special provisions of £4,000 against arrears of interest and £2,500 against depreciation of investments. At this time last year business in Canada was in a state of rather severe depression, from which there were signs of gradual recovery. The effects of the outbreak of war were, of course, severely felt, and on this subject

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For Particulars write, Supt. of  
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we have an interesting letter from our general managers in Canada, Messrs. Oldfield, Kirby, and Gardner, who write: "Twelve months ago we were slowly recovering from the effects of the collapse of speculation. . . . This slowly reviving confidence was shattered by the outbreak of the War. . . . Interest collections during the Company's year represented 85 per cent. of the amount maturing, against 90 per cent. during the previous year. This must be regarded, we think, as a satisfactory showing. We continue to have to bring to sale a number of properties where borrowers have become financially involved through purchasing more land than they can cultivate or from speculation in unsound securities. Purchasers are being found for these properties, and we have no reason to apprehend any loss through this form of realisation. . . . The outstanding factor in the financial and commercial situation in Western Canada at the present time is the crop prospect. The autumn of 1914 was the most favourable for farm work in the history of the country. Every possible advantage was taken by the farmer, and more land was prepared for seeding than ever before. The spring has been a favourable one. Seeding was completed about two weeks earlier than usual. The grain is now well advanced, and is strong and healthy. Abundance of moisture has fallen throughout the three Prairie Provinces, and at the time of writing the outlook could not well be better." The total amount of arrears as at April 30 was just over £9,000, and the general managers are confident that all or nearly all of these arrears will ultimately be recovered. However, the board have thought it prudent to carry the sum of £4,000 to a special reserve against arrears of interest, and, as an allocation of £1,000 was made for the same purpose last year, we have now a special reserve of £5,000, which is obviously more than sufficient to meet any probable deficit on realisation. The revenue of the Company has been reduced as compared with the previous year by about £6,000. Of this reduction about one-half was caused by the reduction of profits from sales of the Company's real estate. As conditions have been so unfavourable, there have been no sales, either last year or the year before. Consequently the profits shown in the accounts refer to sales made more than two years ago. Obviously the profits from this source must soon be exhausted, and will disappear until conditions in Canada improve so far as to make it possible again to effect sales of real estate. The remainder of the revenue reduction is due to the passing of dividend by the Canadian Land Corporation, in which our Company is a large shareholder. Under the same unfavourable conditions the Canadian Land Corporation has been unable to effect any sales during the past year, and declared no dividend. The accounts of that Company show a balance at credit of profit and loss account of \$21,742, which is carried forward. Its affairs are in a perfectly sound position, and we have no anxiety as to this investment nor as to the outcome of our direct holdings of real estate, though in both cases we must anticipate some considerable delay in realisation under the exceptional circumstances. There have been no changes in capital or Debenture stock during the year. Terminable notes have been reduced by £30,000 paid off, and the reserve fund is now increased to £20,000. The investments are the same as last year, and now stand at £24,769, after writing off £2,500 depreciation.

Mr. Gordon seconded the motion, which was carried unanimously.

## MISCELLANEOUS.

ANGLO-AMERICAN TELEGRAPH COMPANY.—Interim dividend for the quarter ended June 30, 1915 of 15s. per cent. on the Ordinary stock and £1 10s. per cent. on the Preferred stock, less tax.

BRADBURY, GREATORREX AND COMPANY.—Interim dividend on Ordinary at rate of 6 per cent. per annum.

BRITISH STEAMSHIP INVESTMENT TRUST.—Final dividend at rate of 6 per cent. per annum on the Deferred stock, together with a bonus of 14 per cent., making 20 per cent. for the year.

BRISTOL BREWERY GEORGES AND COMPANY.—Interim dividend on Ordinary at the rate of 8 per cent. per annum.

BRITON FERRY CHEMICAL AND MANURE COMPANY.—Interim dividend of 1s. per share, less tax.

CANADIAN EXPLOSIVES, LIMITED.—Dividend of 1½ per cent. on 7% Cumulative Pref. shares for quarter ending June 30.

DAMANSARA (SELANGOR) RUBBER COMPANY.—First interim dividend of 10 per cent., less tax.

DIRECT UNITED STATES CABLE COMPANY.—Interim dividend of 2s. per share, less tax.

FRASER AND CHALMERS.—Interim dividend of 7½ per cent. on the Preference shares, less tax.

HOLLIS (WILLIAM) AND COMPANY.—Interim dividend of 6d. per share on Ordinary shares.

JEYES' SANITARY COMPOUNDS.—The directors of this Company, anticipating that certain of their shareholders might wish to invest at once all available capital in the War Loan, have decided to distribute forthwith a larger interim dividend than was contemplated when they prepared their estimate of profit for the half-year up to June 30. The dividend has been sent to the shareholders in ample time for them to apply it to patriotic purposes.

MCINTYRE, HOGG, MARSH AND COMPANY.—Interim dividend on Ordinary for the half-year at the rate of 7 per cent. per annum.

MARINE AND GENERAL MUTUAL LIFE ASSURANCE SOCIETY announce that Sir Frederick Green has accepted the office of Chairman in succession to Mr. H. W. Forster, M.P., who has recently joined the Government and has vacated his seat at the board.

MERCANTILE INVESTMENT AND GENERAL TRUST COMPANY.—Interim dividend at the rate of 5 per cent. per annum on Ordinary.

MERCANTILE STEAMSHIP COMPANY.—Interim dividend on Ordinary at the rate of 10 per cent. per annum.

METROPOLITAN TRUST COMPANY, LIMITED.—Interim dividend on Ordinary stock at the rate of 11 per cent. per annum, less tax.

MORTGAGE COMPANY OF THE RIVER PLATE.—Interim dividend on Ordinary at rate of 12 per cent. per annum for half-year, less tax.

NATIONAL PROVINCIAL BANK OF ENGLAND.—Interim dividend at a rate of 16 per cent. per annum, less tax.

RIVER PLATE AND GENERAL INVESTMENT TRUST COMPANY.—Interim dividend at the rate of 4½ per cent. per annum on Preferred, and 8 per cent. per annum on Deferred stock, less tax.

ROYAL EXCHANGE ASSURANCE.—John Edward Humphery, Esq., has been elected a director of this Corporation.

ST. JAMES' AND PAUL MALL ELECTRIC LIGHT COMPANY.—Interim dividend at the rate of 7 per cent. per annum on both Preference and Ordinary shares for the half-year ending June 30, 1915.

SHELL TRANSPORT AND TRADING COMPANY.—The directors of this Company have decided to make application for £500,000 of the new Government 4½ per cent. War Loan.

ROYAL BREWERY, BRENTFORD.—Final dividend of 8 per cent., less tax, on Ordinary.

UNITED TOBACCO COMPANY, LIMITED, have subscribed £50,000 to the new War Loan.

VERA CRUZ TERMINAL COMPANY.—It has been announced by the board of this Company that the Company, as a result of the political situation in Mexico, is not able to meet the interest due on the Company's First and Second Debentures on the 15th inst., nor to redeem the Debentures due for redemption on that date. Notices of meetings are in course of preparation, and will shortly be issued to the debenture holders, asking their consent to the postponement of these instalments of interest and redemption moneys and to such further postponement as will be specified in such notice.

## RAND GOLD OUTPUT.

The Rand's production of gold according to the Transvaal Chamber of Mines is contrasted below:—

	Tons Milled and Yield per Ton		Value £
	Tons	Yield	
1912	25,486,361	29/0	37,182,746
1913	25,628,432	27/9	35,812,605
1914.			
First half	12,308,282	26/11	16,609,705
Second half	12,795,172	26/3	17,514,729
Year 1914	25,701,954	26/7	34,124,434
1915.			
January	2,237,748	26/2	2,930,156
February	2,077,792	26/6	2,774,673
March	2,366,392	26/11	3,088,810
April	2,289,002	26/7	3,046,579
May	—	—	3,133,772
June	—	—	3,092,024

The returns of natives recently employed in gold mining are as follows:—

1915—					1914—	
June	May	April	Mar.	Feb.	Jan.	Dec.
184,155	183,931	186,941	185,239	180,422	172,331	164,650
						166,039

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Tele. No.: 3471 London Wall.

Telegrams: "Edifice, London."

**Aurora West United.**—There are in issue 212,705 10s. shares, and a favourable opportunity will be taken for a further issue to deal with floating debt, the total authorised capital being £300,000, in 600,000 10s. shares. Net floating indebtedness now about £105,000. Plant—80 stamps; capacity increased to 15,000 tons per month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 80	164,791	16½	202,317	24/7	163,198	19/10
1915.						
Mar. qr. 80	42,160	13½	52,472	24/11	40,952	19/5
Apr. ... 80	14,000	13	17,431	24/10	13,381	19/1
May ...	14,570	—	17,771	24/6	14,059	19/4
June ... 80	14,620	—	17,821	24/5	13,534	18/7

**Bantjes Consolidated.**—Capital issued £502,306, in £1 shares. Three tube mills. Capacity of plant 30,000 tons per month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 100	279,190	—	320,650	22/11	289,911	20/9
1915.						
Mar. qr. 100	47,750	9½	51,423	21/7	61,648	25/9
Apr. ... 100	21,000	9	28,272	26/11	20,692	19/8
May ...	20,500	—	26,134	25/9	21,189	20/8
June ...	19,500	—	22,519	23/1	20,763	21/3

Loss due to central shaft breakdown.  
Dividends—1914, June, 2½; Dec., 2½ per cent.  
1915, June, nil.

**Consolidated Main Reef.**—£924,364, in £1 shares. 120 stamps; three tube mills.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
June 30	Stps.	Milled	ing	£	£	£
1913-14 ... 96av.	241,016	12	379,543	31/6	262,942	21/10
1914-15.						
Sept. qr. 110	75,046	15	113,764	30/3	76,586	20/5
Dec. qr. 103av.	68,810	14	104,891	30/6	73,579	21/5
Mar. qr. 100	70,920	9½	108,246	30/6	75,014	21/2
April ...	25,220	—	38,126	29/1	26,446	20/2
May ...	26,400	—	38,229	28/11	26,302	19/11
June ...	27,370	—	39,393	28/9	26,457	19/4
12 mos.	294,700	—	442,649	30/0	304,384	20/7

Dividends—1914, June, 5; Dec., 6½ per cent.  
1915, June, 6½ per cent.

**Durban Roodepoort Deep.**—£440,000, in £1 shares. Three tube mills. Crushing capacity, about 25,000 tons a month.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 100	298,390	13	407,495	27/4	349,534	23/5
1915.						
Mar. qr. 100	78,160	12½	100,898	25/9	95,951	24/6
April ... 100	26,250	13½	35,803	27/4	30,721	23/6
May ...	27,400	—	37,488	27/4	31,133	22/8
June ...	27,100	—	37,166	27/5	31,118	22/11

Dividends—1914, June, 3½; Dec., 3½ per cent.  
1915, June, 3½ per cent.

**Ferreira Deep.**—£980,000, in £1 shares. Mills, 280 stamps and 7 tubes.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Sept. 30	Stps.	Milled	ing	£	£	£
1913-14 261av.	668,530	11	1,236,633	36/11	584,475	17/5
1914-15.						
Dec. qr. 280	158,390	8	269,505	34/0	152,584	19/3
Mar. qr. 280	171,470	10	304,006	35/5	156,089	18/2
Apr. ... 280	48,420	10½	90,252	37/3	51,412	21/3
May ...	38,620	—	66,651	34/5	44,996	23/3
June ...	42,620	—	69,921	32/10	46,661	22/0

(a) Reduced profit due to increased costs and owing to shortage of labour and return to more normal recovery. Grade for April and May was abnormally high.

\* Grade for month of December was low, as hoisting was necessarily confined to ore from poorer section of the mine.

† Shaft repairs, due to fall of ground, interfered with operations.

‡ Profits from accumulated slimes treated are included in profits.

Dividends—1914, March, 25; Sept., 25; Dec. (bonus), 25.  
1915, March, 25 per cent.

Normal hoisting resumed June 20.

**Ginsberg.**—210,000 £1 shares issued. One tube mill.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 77½	179,089	26	204,522	22/9	159,961	17/10
1915.						
Mar. qr. 75	45,100	18½	49,044	21/9	39,697	17/7
Apr. ... 80	15,452	15	16,644	21/7	12,982	17/0
May ...	15,497	—	17,023	22/0	13,280	17/4
June ...	15,495	—	17,432	22/6	13,373	17/5

Dividends—1914, June, 10; Dec., 7½ per cent.  
1915, June, 17½ per cent.

**Glencairn.**—£550,000, in £1 shares. Sundry revenue, about £2,000 a year, included in profits; also accumulated slimes revenue.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 158½av.	261,552	9½	173,433	14/2	148,429	11/9
1915.						
Mar. qr. 160	60,690	10½	44,208	14/6	37,340	12/3
Apr. ... 160	20,250	10	13,887	13/9	12,127	12/1
May ...	22,020	—	14,587	13/3	12,409	11/5
June ...	21,100	—	14,542	13/9	12,218	11/9

Dividends—1914, June, nil; Dec., 5 per cent.  
1915, June, nil.

**Glynn's Lydenburg.**—£170,000, in £1 shares. The Company has one tube mill, started May 1910.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
July 31	Stps.	Milled	ing	£	£	£
1913-14 ... 20	45,938	—	100,626	43/9	46,780	20/4
1914-15.						
Oct. qr. ... 20	12,201	—	23,400	38/4	11,239	18/5
Jan. qr. ... 20	11,666	—	18,581	31/10	11,845	20/4
April qr. ... 20	11,716	—	20,552	35/1	11,677	19/11
May ...	4,106	—	6,703	32/8	3,964	19/4
June ...	4,020	—	6,638	33/0	4,399	21/10

\* Results affected by exceptionally heavy rains and thunderstorms.

Dividends—1914, Jan., 10; July, 10 per cent.  
1915, Jan., 10 per cent.

**Heriot.**—Issued capital £115,000, in £1 shares. One tube mill.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 70	154,228	16	281,765	36/6	138,197	20/11
1915.						
Mar. qr. 60	36,700	14	69,646	37/10	41,188	22/5
Apr. ... 60	11,800	19	—	—	—	—
May ... 60	13,500	—	23,514	34/9	14,495	21/5
June ... 60	13,000	—	23,630	35/4	14,274	21/11

Dividends—1914, May, 30; Nov., 35 per cent.  
1915, May, 40 per cent.

**Knight Central.**—£900,000, in £1 shares. Three tube mills.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 103½av.	284,960	3	316,076	22/2	273,325	19/2
1915.						
Mar. qr. 113	76,400	—	82,339	21/6	71,029	18/7
April ... 115	28,160	—	29,524	20/11	25,609	18/2
May ...	27,700	—	28,890	20/9	25,034	18/10
June ...	23,400	—	25,697	21/11	22,552	19/3

Dividends—1910, Dec., 5 per cent. Nil since.

**Knights Deep.**—Capital, 743,526 £1 shares issued; £70,600 Five-and-a-Half per Cent. Debentures still to be redeemed. The Company has taken over the Simmer and Jack East mine. 400 stamps, 11 tubes, capacity 120,000 tons a month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
July 31	Stps.	Milled	ing	£	£	£
1913-14. 400	1,118,900	—	815,708	14/7	659,003	11/9
1914-15.						
Oct. qr. 400	300,920	—	221,798	14/9	177,233	11/9
Jan. qr. 400	290,600	—	222,341	15/3	175,199	12/0
April qr. 400	280,000	—	209,060	14/11	173,562	12/5
May ...	104,700	—	77,993	14/10	61,482	11/9
June ...	96,100	—	74,417	15/6	58,594	12/2

Gold reserve: May, 465; June, 400 oz.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 7½ per cent.

**Langlaagte Estate.**—Capital £950,000; issued, 886,500 £1 shares. 200 stamps; five tubes.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	ing	£	£	£
1914 ... 589,619	710,257	24/0	530,843	18/0	185,854	6/4
1915.						
Mar. qr. ...	147,168	173,460	23/7	129,425	17/7	44,035
Apr. ...	48,600	60,035	24/8	45,933	18/11	14,102
May ...	52,008	60,376	23/2	46,884	18/0	13,492
June ...	51,590	63,002	24/5	49,334	19/1	13,668

\* For April and since ounces produced are given. The value has been calculated on the basis of £4½ per fine ounce being secured.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 7½ per cent.

**Main Reef West.**—Capital, £491,188, in £1 shares; £256,223 Six per Cent. Debentures. 120 stamps, 256 tube mills; capacity, 25,000 tons monthly.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
June 30	Milled	ing	Amt.	Amt.	Amt.	end of
Stps.		%	£	£	£	Period
1913-14...	312,991	114	3,41,184	2,06,498	56,686	1 1/2
1914-15.						
Sept. qr. 100	66,100	9	74,133	6,976	12,758	3 1/10
Dec. qr. 100	66,770	9 1/2	75,393	6,181	12,142	3/7
Mar. qr. 100	64,490	10 1/2	77,692	6,447	12,640	3 1/11
Apr. ... 100	23,460	12	27,688	2,194	4,474	3/9
May ...	24,300	—	29,039	11,487	4,582	3/9
June...	24,400	—	24,495	21,401	4,294	3/6
12 mos.	289,520	6 1/2	312,715	2,7,338	53,875	3/9

Dividends—1912, June, 7 1/2; Dec., 5 per cent.; nil since.

**Meyer and Charlton.**—Capital £200,000, in £1 shares. Two tube mills.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt.	Per ton	Expenses Amt.	Per ton	Profit Amt.	Per ton	Price end of Period
1913	75	173,123	3 1/2	422,179	48/9	100,368	18/3	263,791	30/6	5 1/2
1914	75	177,156	3 1/2	408,479	48/1	153,170	17/3	255,309	28/10	—
1915.										
Mar. qr.	75	43,462	2	98,603	48/4	3,825	18/4	58,778	27/0	5
Apr.	75	14,529	3 1/2	33,255	48/9	12,891	17/8	20,364	28/1	3 1/4
May	75	14,958	—	34,032	47/3	13,226	17/10	20,816	27/8	5 1/2
June	75	14,467	—	33,288	46/1	13,088	18/1	20,200	28/0	5 1/2

\* In addition there is £7,638, result of clean up in January.

Dividends—1914, June, 35; Dec., 35 per cent.

1915, June, 40 per cent.

**Nigel.**—Capital £223,106, in £1 shares. One tube mill in operation. Sundry revenue not included in years.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price			
Dec. 31	Stps.	Milled	ing	Amt.	Per ton	Amt.	Per ton	end of	
			%	£	£	£	£	Period	
1914...	71	141,400	1	216,498	30/7	196,147	26/4	30,351 4/3	—
1915.									
Mar. qr. 70		33,600	1	55,000	30/8	44,151	26/3	10,849	6/5 1 1/2
April... 70		11,000	1 1/2	—	—	—	—	3,446	6/2 1 1/2
May ... 70		11,400	—	14,580	28/1	13,922	24/4	978*	1/9 1 1/2
June 70		11,500	—	15,346	28/1	14,376	25/5	1,460	2/7 1 1/2

\* "Decreased profit due to lower grade."

Dividends—1914, June, nil; Dec., 7 1/2 per cent.

1915, June, 5 per cent.

**Nourse Mines.**—Issued capital £827,821, in £1 shares. Mill, 260 stamps, 7 tube mills, making capacity about 58,000 tons for the month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price		
June 30	Stps.	Milled	ing.	Amt.	Per ton	Amt.	Per ton	end of
			%	£	£	£	£	Period
1913-14	260	539,500	14 1/2	764,608	28/4	572,381	21/3	192,226 7/1 1 1/2
1914-15.								
Sept. qr.	260	155,200	11 1/2	199,104	25/8	152,963	19/9	46,141 5/11 —
Dec. qr.	260	140,800	14 1/2	189,415	28/10	149,797	21/3	39,618 5/7 —
Mar. qr.	260	152,100	15 1/2	191,501	28/2	163,738	21/6	27,763 3/8 1 1/2
Apr. ...	260	49,800	15 1/2	69,131	27/8	56,174	22/6	12,957 5/2 1 1/2
May ...	—	50,900	—	70,469	27/8	55,191	21/8	15,278 6/0 1 1/2
June ...	—	53,300	—	70,102	26/4	53,746	20/2	16,356 6/2 1 1/2
12 mos.	—	602,100	—	739,722	26/2	631,609	20/11	158,113 5/3 1 1/2

Monthly profits include revenue from accumulated slimes.

Dividends—1914, June, 8 1/2; Dec., 8 1/2 per cent.

1915, June, 5 per cent.

**Primrose.**—£325,000, in £1 shares. Sundry revenue, say £390 per month, included in 1915 figures. Two tubes since December 1912.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit Amt. Per ton	Price Per ton £
1914 ... 157 1/2 av.		275,800	—	307,452	22/3	172,518	12/6 134,934 9 9 —
1915.							
Mar. qr. 140		59,800	—	58,814	19 7	40,657	13/7 18,157 6/0 13/6
Apr. ... 140		21,000	—	19,762	18 10	12,740	12/3 7,022 6/7 14/6
May ... —		22,450	—	20,725	18 6	13,369	12 0 7,356 6/6 14/0
June ... —		21,900	—	20,802	19 0	13,339	12 4 7,463 8/8 1 1/2

Dividends—1914, June, 20; Dec., 20 per cent.

1915, June, 20 per cent.

**Robinson Deep.**—£1,000,000, in £1 shares 180 stamps and 10 tube mills, capacity 65,000 tons.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price		
Mar. 31	Stps.	Milled	ing	Amt.	Per ton	Amt.	Per ton	end of
			%	£	£	£	£	Period
1914-15	119 av.	585,730	8 1/2	827,214	28/3	510,155	17 5	317,059 10 10 1 1/2
1915-16.								
April ...	130	51,000	7	73,438	28/9	47,444	18 7	25,994 10 2 1 1/2
May ...	130	54,000	—	75,215	27 10	49,715	18 5	25,500 9 5 1 1/2
June ...	—	57,000	—	76,110	28 8	50,940	17 10	25,170 8 10 1 1/2

Reserve gold: Mar., 2,272; April, 1,714; May, 1,031; June, 1,031 oz.

Dividends—1914, June, 12 1/2; Dec., 10 per cent.

1915, June, 10 per cent.

**Randfontein Central.**—Capital, £4,500,000; issued, £4,193,700, in £1 shares. £2,918,400 of 6% Debentures, repayable at rate of £150,000 per annum. Plant: 1,000 stamps, 29 tube mills.

Year ends		Tons	Revenue		Expenses		Profit		Price
Dec. 31	Stps.	Milled	Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	end of Period
914	—	907 av.	2,493,384		2,071,825	18/7	813,774	6/6	
1915.									
Mar. q.	878 av.	578,555	674,175	23/3	527,832	18/3	146,343	5/0	13/0
April*	925	265,149	227,115 1/2	22/1	180,506	17/7	46,609	4/6	14/0
May...	—	239,300	234,719	22/5	182,402	17/5	52,317	5/0	13/0
June...	—	207,845	233,613	22/5	176,524	16/11	57,089	5/6	11/6

\* Mining operations considerably hampered by flooding of several of principal shafts, due to abnormally heavy rains.

† Ounces produced given instead of value April and since. The above figures are obtained by taking the value of each ounce produced at £4 1/2.

Dividends—1912, Dec., 5 per cent. 1913, June, 7 1/2 per cent.; Dec., 2 1/2 per cent. 1914, June, nil; Dec., nil. 1915 June, 2 1/2 per cent.

**Village Main Reef.**—£472,000, in £1 shares. Six tube mills. Wemmer mill now discontinued.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Per ton £	Expenses £	Per ton £	Profit £	Per ton £	Price end of Period
1914 ...	190	378,500	17	143,667	36 3/8	83,391	18 1/3	60,276	15 10/0	—
1915.										
Mar. qr. 146 1/2		87,900	17 1/2	50,896	33 1/10	29,388	19/6	21,508	14/4	1 1/2
April...	160	30,000	17 1/2	53,239	33 1/10	29,298	18/7	23,991	15/3	1 1/2
May ...	—	31,450	—	51,567	33/3	28,220	18/2	24,347	15/1	1 1/2
June...	—	31,000	—							

Dividends—1914, June, 35; Dec., 35 per cent.

1915, June, 20 per cent.

**West Rand Consolidated.**—£2,025,000, in 2,000,000 Ordinary shares of £1 and 25,000 Deferred shares of £1 each. £469,730 Convertible Six per Cent. Debentures in issue. Plant capacity about 33,000 tons per month.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt.	Per ton	Expenses Amt.	Per ton	Profit Amt. & Per ton	Price end of Period
1914	... 100	310,750	15	377,233	24/3	308,945	19/10	68,288 4/5	—
1915.									
Mar. q....	100	90,000	13	102,369	22 9	87,169	19/4	15,200 3/5	6/0
Apr. ....	100	29,700	14 1/2	34,991	23/6	28,866	19/5	6,125 4/1	6/6
May ....	100	31,750	—	36,596	23 1	29,011	18/3	7,585 4/10	6/0
June ....	—	30,750	—	32,297	24 10	28,879	18 9	9,418 6/1	5 6

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**Robinson G.M.**—£2,750,000, in £5 shares. Six tube mills. Sundry revenue and accumulated slimes profit not included in yearly figures.

Year to Dec. 31	Stps. Milled	Tons Sort- ing	Revenue— Amt. Per ton	Expenses— Amt. Per ton	Profit— Amt. Per ton	Price end of Period
1914 ... 250	638,000	—	1,027,092 32/2	454,906 14/3	572,186 17/11	—
1915.						
Mar. qtr. 250	170,400	4½	247,178 29/0	115,464 13/7	131,715 15/5	1½
Apr. ... 250	55,400	5	84,448 30/5	37,817 13/7	46,631 16/10	1½
May ... —	62,700	—	89,763 28/7	40,251 12/10	49,512 15/9	1½
June ... —	57,800	—	82,645 28/7	43,637 15/0	39,008 13/7	1½

Dividends—1914, June, 9 per cent. and bonus of 10 per cent.  
Dec., 9 per cent.  
1915, June, 8 per cent.

**Witwatersrand Deep.**—£550,000, in £1 shares. £32,200 of Five-and-a-Half per Cent. Debentures now in issue. Four tube mills.

Year to Dec. 31	Stps. Milled	Tons Sort- ing	Revenue— Amt. Per ton	Expenses— Amt. Per ton	Profit— Amt. Per ton	Price end of Period
1914 ... 245	517,975	10	677,554 23/2	426,386 16/6	251,168 9/8	—
1915.						
Mar. qtr. 245	125,114	10½	161,905 25/10	107,887 17/3	54,018 8/7	1½
April ... 245	45,668	11	59,004 25/9	38,882 17/0	20,122 8/9	1½
May ... —	48,230	—	62,603 26/0	40,398 16/9	22,205 9/3	1½
June ... —	42,880	—	55,272 25/9	36,951 17/3	18,321 8/6	1½

Dividends—1914, June, 15; Dec., 17½ per cent.  
1915, June, 15 per cent.

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CANADA.—HAROLD A. WILSON & CO., LTD., 35 King Street West, Toronto; WILLIAM DAWSON & SONS, Manning Chambers, Toronto, and Montreal; A. T. CHAPMAN, 2407 St. Catherine Street, Montreal; SELLS, LTD., 302 Shaughnessy Buildings, McGill Street, Montreal.

UNITED STATES.—INTERNATIONAL NEWS CO., 83-5 Duane Street, New York; BRENTANO, Cor. 5th Avenue and 27th Street, New York, and 1015 Pennsylvania Avenue, Washington, D.C.; SUBSCRIPTION NEWS CO., Oak Park, Chicago; OLD CORNER BOOKSTORE, 27-9 Bromfield Street, Boston, Mass.

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HOLLAND.—J. H. DE RUSSY, Rokin 60, Amsterdam; GEER. SCHRODER, Rokin 50, Amsterdam; P. NOORDHOFF, C. Boteringestraat, Groningen.

SWITZERLAND.—ALBERT SCHMIDT, Bale.

## VILLAGE DEEP, LIMITED.

DIVIDEND No. 14.

HOLDERS OF SHARE WARRANTS TO  
 FOLDERS are informed that they will receive  
 their dividend after Wednesday, 4th August.  
 The dividend on No. 14 is per cent, i.e. 18 per  
 cent. The dividend on Coupon No. 14, of the  
 London and French Canal Co., No. 1 London  
 and French Canal Co., is to the Credit-Mobilier  
 Co., 1 rue d'Orléans, Paris.  
 The dividend to holders resident in the  
 United Kingdom will be subject to deduction of  
 French income tax at the rate of 10 per cent.  
 on the dividend.  
 A statement presented at the Credit-Mobilier  
 Co., as well as any presented at the  
 London and French Canal Co., will be supported by a declaration of  
 the holder of the warrant on record of French  
 nationality and French income tax.  
 The dividend will be held in order days for ex-  
 ception of either of the Offices mentioned  
 and may be held any day (Saturdays  
 excepted) between the hours of 11 and 12.  
 The dividends may be had on application.  
 By Order of the Board,  
 A. MOHR,  
 London Secretary.  
 London, 15th July 1915.

## AUSTRALIA

BY THE

# ORIENT LINE

Under Contract to carry His Majesty's  
Mails to  
FREMANTLE, ADELAIDE,  
MELBOURNE, SYDNEY and BRISBANE,  
Calling at  
Gibraltar, Port Said and Colombo.  
Through Booking to  
NEW ZEALAND and TASMANIA.  
Tickets interchangeable with P. & O. Line.  
Tonnage—  
STANDARD Tonn London, Plymouth, Marseilles, Naples,  
OSTERLEY 1 129 July 31 Aug. 1 Aug. 7 Aug. 9  
ORSOVA 12,006 Aug. 27 Aug. 28 Sept. 4 Sept. 6  
Managers—P. Green & Co. and  
Anderson, Anderson & Co.  
For passage apply to the latter firm at 5 Fenchurch  
Avenue, E.C. 3, or to the Branch Office, 25 Cockspur  
Street, S.W.

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LINE.**

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Street, London. West-end Agency:  
Thos. Cook & Son, 125 Pall Mall, S.W.

## THE SAID PARTNERS

# ILAND LIMITED

OF PARLIAMENT.

known on application; and conducts every description of Australasian banking business.

ESTABLISHED 1825.

GEORGE B. HART, SECRETARY.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

## BANK OF MONTREAL

Established in 1817.  
Capital Paid up, \$16,000,000.  
Reserve Fund, \$16,000,000.  
Undivided Profits, \$1,252,864.  
H. V. Meredith, Esq., President.

R. B. Angus, Esq., E. B. Greenhields, Esq., Sir William Macdonald, Hon. Robert Mackay, Sir Thos. Shaughnessy, K.C.V.O., C. R. Hosmer, Esq., A. Baumgarten, Esq., C. B. Gordon, Esq., H. R. Drummond, Esq., D. Forbes Angus, Esq., William McMaster, Esq.

Head Office: Montreal.

General Manager: Sir Frederick Williams-Taylor, LL.D. Assistant General Manager: A. D. Braithwaite, Esq.

Branches and Agencies throughout Canada and Newfoundland; also at New York, Chicago and Spokane in the United States, and at Mexico City.

LONDON OFFICES:

47 Threadneedle Street, E.C., and  
9 Waterloo Place, Pall Mall, S.W.

London Committee: Sir Thomas Skinner, Bart., A. Macnider, Esq.

Manager: George Cyril Cassels.

**Financial Agents of the Government of the Dominion of Canada.**

The Bank undertakes monetary business with all parts of Canada, Newfoundland and the United States, and issues Sterling and Currency Drafts and Cable Transfers.

## THE ROYAL BANK OF CANADA.

Capital Authorised - \$25,000,000  
Capital Paid up - \$11,560,000  
Reserve Funds - \$13,000,000  
Aggregate Assets - \$180,000,000

Head Office—MONTREAL.

Sir HERBERT S. HOLT, E. L. PEASE,  
President, Vice-President and General Manager.

340 Branches in Canada and Newfoundland.

28 Branches in Cuba, Porto Rico and Dominican Republic.

BRANCHES IN BRITISH WEST INDIES.  
ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; ST. KITTS—Basseterre; TRINIDAD—Port of Spain; San Fernando.

Branch in British Honduras—Belize.

Branches in British Guiana—GEORGETOWN, NEW AMSTERDAM, ROSE HALL.

New York Agency, Corner William & Cedar Streets.

LONDON OFFICE:

2 Bank Buildings, Princes Street, E.C.

JAMES MACKIE, Joint Manager.

## The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,356

Reserve Fund & Undivided Profits (\$7,245,140) £1,488,727

Head Office: Montreal.

PRESIDENT—SIR H. MONTAGU ALLAN, C.V.O.

VICE-PRESIDENT—K. W. BLACKWELL.

GENERAL MANAGER—E. F. HEDDEN.

This institution has 209 Branches and Agencies extending from the Atlantic to the Pacific (92 being in the Western Provinces).

Every facility offered to the business of immigrants; Savings Department at all Branches, where interest is allowed at 3 per cent. per annum.

Drafts sold available in any city or banking town in the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.

The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable Transfers available at any banking point in Canada.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital, £1,000,000. Subscribed Capital, £225,000.

Paid-up Capital £500,000

Reserve Fund 510,000

£1,010,000

Uncalled Capital 125,000

Reserve Liability of Shareholders 625,000

£1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## The BANK OF TAIWAN, LTD.

(Incorporated by the Special Charter of the Imperial Japanese Government, 1889.)

Head Office: TAIPEH, FORMOSA.

BRANCHES:—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-Kong, Kiukiang, Shanghai, Singapore, Swatow, and every Important City in Formosa (Taiwan), &c.

The Bank is authorised to ISSUE ITS OWN NOTES in Formosa, conducts GENERAL BANKING AND EXCHANGE BUSINESS, has CORRESPONDENTS at principal commercial centres, and offers SPECIAL EXCHANGE FACILITIES for Japan, Formosa, China and the Straits Settlements.

London Office: 58 OLD BROAD STREET, E.C.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised ... £1,500,000  
Capital Issued ... 1,125,000  
Capital Paid Up ... 562,500  
Reserve Fund ... 500,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Deposits received for one year at 4 per cent. per annum. Rates for other periods on application.

On current accounts interest is allowed at 2 per cent. per annum on daily balances.

## NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE LONDON.

AUTHORISED CAPITAL ... £3,000,000  
SUBSCRIBED CAPITAL ... 2,250,000  
PAID-UP CAPITAL ... 750,000  
RESERVE FUND ... 685,000  
UNCALLED CAPITAL ... 1,500,000

Receives Deposits of £50 and upwards, for 1, 2 or 3 years, at 4 per cent. per annum. Drafts, Letters of Credit and Wire Remittances granted, and Bills on New Zealand purchased or sent for collection.

H. FRESHWATER, Secretary and London Manager.  
17 Moorgate Street, London, E.C.

## THE EASTERN BANK, LIMITED.

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T. (Chairman).

Sir JACOB F. SASSOON, Bart. EMILE FRANÇOIS, Esq.

J. C. GEORGES BOUILLAT, Esq. J. S. HASKELL, Esq.

G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

## BANCO ESPAÑOL DE LA ISLA DE CUBA.

ESTABLISHED 1856.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,740,000

Assets - \$39,354,000

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKCORP.

KLEINWORT, SONS & Co.

LLOYDS BANK LTD.

## THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. P. SHANACKER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—R. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—  
"FOURBANK." SAMUEL MONTAGU & CO.  
LONDON CITY AND MIDDLESEX BANK, LTD.  
LLOYDS BANK LTD.

## NATIONAL BANK OF INDIA LIMITED.

Business to the Government in British East Africa and Uganda.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Coen (S. India)	Newera Eliya	
Bombay	Chattagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Manday	Nairobi	British
Cawnpore	Aden and	Nakuru	East
Lahore	Aden Point	Kisumu	Africa
Amritsar	Colombo	Entebbe	
Delhi	Kandy	Kampala	Uganda
Tuticorin		Junja	

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National

Provincial Bank of England, Limited; National Bank

of Scotland, Limited.

The Bank conducts every description of Eastern

Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

## THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which are incorporated the Bank of Africa, Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South Africa in the Transvaal, Natal and Orange Free State. Bankers to the Imperial Government in South Africa.

LONDON OFFICES—Circus Place, London Wall, E.C., and 117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and

all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on

terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

## RUSSIAN & ENGLISH BANK

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000

Reserve Fund, £126,000.

English Members of the Council of the Bank—Lord Balfour of Burleigh, K.T., Rt. Honble. Austen Chamberlain, M.P., Sir Leo H. Amory, Bart.

The Bank transacts every description of Banking Business; collects Cheques, Bills, Documentary Bills in all parts of the Russian Empire. Undertakes the Agency of Banks and the purchase and sale of Russian Stocks and Shares.

London: Boulton Bros. & Co., 39 Old Broad St., E.C.

Agents: Lloyds Bank Limited and Branches.

Telegraphic Address: Britorisse, Petrograd.

# The Statist,

A Journal of Practical Finance and Trade.

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POST FREE (U.K.)]

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### JOHN HOARE AND CO.

will Offer for SALE by PUBLIC AUCTION at the WOOL EXCHANGE, Coleman Street, E.C., on Saturday, 3 July, Tuesday, 13 July, Thursday, 22 July, Tuesday 27 July:  
13,500 Bales AUSTRALASIAN WOOL  
1,800 „ PUNTA ARENAS „  
200 „ PERUVIAN „  
also  
1,500 „ ENGLISH WOOL specially classed.  
Catalogues in due course of JOHN HOARE and CO., 73 Basinghall Street, London, E.C.

### BANCO DE CHILE.

London Agency—

94 GRACECHURCH STREET, E.C.

Chilian Dollars.  
Paid-up Capital ... .. \$40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000

Head Offices: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

### UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.

Paid-up Capital ... .. \$5,000,000  
Ret and Undivided Profits ... .. \$3,600,000  
Total Assets over ... .. \$80,000,000

The Bank has over 300 Branches in Canada and Agents in the principal Cities in AMERICA.

London Committee:

J. Leigh Wood, Esq., C.M.G.;

Hon. Sidney Peel; F. W. Ashe, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to LONDON OFFICES (6 PRINCES STREET, E.C. 126 HAYMARKET, S.W.)

### NATIONAL BANK OF EGYPT.

Established by Khedival Decree, June 1898, with the exclusive right to issue Notes payable at sight to bearer.  
Capital, £3,000,000 (in 300,000 Shares of £10 each, fully paid). Reserve Fund, £1,500,000.

Governor: F. T. Rowlett, Esq. Head Office: Cairo.

London Committee

E. W. P. Foster, C.M.G. Hon. Algernon Mills.

Hon. Hugo Baring. Sir Carl Meyer, Bart.

Hon. Sidney Peel.

LONDON AGENCY:

3 & 4 LOTHBURY, LONDON, E.C.

Manager: J. T. Beatty-Pownall.

Assistant Manager: A. F. Gillbee.

Accounts opened with traders and private persons. Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), A'lexandria, Assiout, Assuan, Benha, Beni-Suef, Chibin-El-Kom, Damanhur, Fayoum, Keneh, Luxor, Mansourah, Minieh, Mousky (Cairo), Port Said, Sohag, Tanta and Zagazig; and in the Sudan at Khartoum, Port Said and Suakim

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital ... .. Yen 48,000,000

Capital Paid up ... .. „ 30,000,000

Reserve Fund ... .. „ 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien	Kobe	New York
Bombay	Liao Yang	Osaka
Calcutta	London	Peking
Changchun	Los Angeles	Ryojun (Port Arthur)
Dairen (Dalny)	Lyons	San Francisco
Hankow	Fengtien	Shanghai
Harbin	(Mukden)	Tientsin
Hong Kong	Nagasaki	Tientsin   Tokio
Honolulu	Newchwang	Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—

7 Bishopsgate, E.C.

### THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704

RESERVE FUND ... .. £1,033,410

Petrograd. Moscow. Paris.

And over 100 Branches in Russia.

London Offices:

24 28 LOMBARD STREET, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Current Accounts opened and deposits received on terms which may be ascertained on application.

### COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout

Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia.

Special facilities for the remittance of Settlers' funds.

London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

### STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100

PAID-UP CAPITAL ... .. £1,548,525

RESERVE FUND ... .. 2,000,000

UNCALLED CAPITAL ... .. 4,645,575

£8,194,100

BOARD OF DIRECTORS

W. R. Arbuthnot, Esq.

Sir David Miller Barbour,

K.C.S.I., K.C.M.G.

Robert E. Dickinson, Esq.

James Fairbairn Finlay,

Esq., C.S.I.

Horace Peel, Esq.

William Smart, Esq.

Right Hon. Lord

Sydenham, G.C.S.I.,

G.C.M.G., G.C.I.E.

Rt. Hon. Lord Welby,

P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE,

LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 200 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

### BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

City Office: 1 Old Broad St., E.C.

LONDON { West-End Agency: 12 Waterloo Place, Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Consolo.

Sub-Managers { A. Rossi.

{ R. B. Handley.

{ G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN

TREASURY.

Agents in London for:—BANQUE FRANÇAISE et ITALIENNE POUR L'AMÉRIQUE DU SUD,

Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and

SOCIETÀ COMMERCIALE D'ORIENTE,

Milan and Tripoli.

Agents and Correspondents in all parts of the world.

### BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... .. £P.500,000

Reserve Fund ... .. £P.300,000

BRANCHES IN:

Piura, Callao, Mollendo,

Chiclayo, Cerro de Pasco, Arequipa,

Pacasmayo, Chinchta Alta, Cuzco,

Trujillo, Ica, Iquitos,

Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

### LONDON BANK of AUSTRALIA LIMITED

71 Old Broad Street, E.C.

Subscribed Capital ... .. £1,276,747 10 0

Paid-up Capital ... .. 669,587 10 0

Reserve Fund and Undivided

Profits ... .. 328,317 13 0

Reserve Liability of Proprietors 607,160 0 0

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

### HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000

RESERVE FUNDS.

STERLING RESERVE,

held in London at Ex-

change of 2s. per \$

= £1,500,000 Sterling,

invested in Consols

and other Sterling

Securities ... .. \$15,000,000

SILVER RESERVE ... .. 18,000,000

\$33,000,000

RESERVE LIABILITY OF PRO-

PRIETORS ... .. \$15,000,000

COURT OF DIRECTORS and HEAD OFFICE

IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.

Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable

June 30 and December 31.

Sir CHARLES ADDIS, } Managers

H. D. C. JONES, } in London.

JOHN MACLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

# THE UNION OF LONDON & SMITHS BANK, LIMITED.

(Established 1839.)

Authorised Capital . . . £25,000,000      Paid-up Capital . . . £3,554,785 10s.  
Subscribed Capital . . . £22,934,100      Reserve Fund . . . £1,150,000 0s.  
Number of Proprietors—upwards of 10,500.

## DIRECTORS.

Sir FELIX SCHUSTER, Bart., Governor.  
ERNEST W. BARNARD, Esq.  
THEODORE BASSETT, Esq.  
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CHARLES O. CAVE, Esq.  
JOHN ALAN CLUTTON BROOK, Esq.  
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H. W. DRUMMOND, Esq.  
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JOHN MEWS, Esq.  
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HENRY W. PRESCOTT, Esq.  
KENNETH L. C. PRESCOTT, Esq.  
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LINDSAY ERIC SMITH, Esq., Deputy-Governor.

EUSTACE ABEL SMITH, Esq.  
GERALD DUDLEY SMITH, Esq.  
HERBERT FRANCOIS SMITH, Esq.  
Rt. Hon. C. B. STUART WORTLEY, K.O., M.P.  
ARTHUR M. H. WALROND, Esq.  
Rt. Hon. Sir ALGERNON WEST, G.C.B.  
CHARLES H. R. WOLLASTON, Esq.

## PRINCIPAL OFFICE—2 PRINCES STREET, E.C.

## MANAGERS.

H. H. HART (Town and Foreign).

L. E. THOMAS (Country).

F. W. ELLIS, Assistant Manager.

H. G. HOLDERNESS, Deputy Assistant Manager.

H. R. HOARE, Secretary.

L. J. CORNISH, Assistant Secretary.

## TRUSTEE DEPARTMENT—2 Princes Street, E.C.

LOMBARD STREET OFFICE (SMITH, PAYNE AND SMITHS), 1 LOMBARD STREET, E.C.  
CORNHILL OFFICE (PRESCOTT'S BANK, LIMITED), 50 CORNHILL, E.C.

The Bank has numerous Branches in London and the Suburbs and Branches or Agents in all the principal Cities and Towns in the United Kingdom, and Correspondents throughout the World.

**TERMS.—Current Accounts.**—These are kept according to the usual custom of London and Country Bankers.

**Deposit Accounts.**—Deposits are received at Interest, subject to notice of withdrawal, or by special agreement in accordance with the usual custom.

**GENERAL BUSINESS.**—The Agency of Country and Foreign Banks, whether Joint Stock or Private. Circular Notes and Letters of Credit issued for all parts of the Continent of Europe and elsewhere. Purchases and Sales effected in all the British and Foreign Stocks and Securities. Dividends on Stocks and Shares, the half-pay of Officers, Pensions, Annuities, &c., received for customers without charge.

The Officers and Clerks connected with the Bank are required to sign a Declaration of Secrecy as to the transactions of any of its customers.

**EXECUTORSHIPS AND TRUSTEESHIPS.**—The Bank, having the necessary powers, are prepared to undertake the Office of Executors, Trustees and Custodian Trustees, on terms particulars of which can be obtained from the Head Office or at any Branch of the Bank.

**NOTE.**—In pursuance of the Treasury Regulations it is hereby stated that no liability attaches to the Consolidated Fund of the British Government in respect of any act or omission of the Bank.

## NATIONAL TRUST COMPANY, LTD.

HEAD OFFICE: TORONTO, CANADA.

BRANCHES: Montreal, Winnipeg, Regina, Saskatoon, Edmonton.

Paid-up Capital - \$1,500,000.  
Reserve Fund - \$1,500,000.

Acts as Executor and Trustee and, as Agent for clients and corporations, invests funds in carefully selected First Mortgages on farms and improved city properties in Canada—Exceptional facilities offered for investing British Capital—Also Guaranteed Trust Investments.

Correspondence invited

28 Bishopsgate, London, E.C.      A. L. NUNNS, London Representative.  
References: Bank of Scotland. Canadian Bank of Commerce.

## THE ANGLO-EGYPTIAN BANK, LIMITED.

SUBSCRIBED CAPITAL ... £1,500,000.

PAID UP, £500,000. RESERVE FUND, £680,000.

BRANCHES: Alexandria, Cairo, Beni-Suef, Mansourah, Port Said, Tanta, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England, The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4½ per cent. per annum.

On current accounts, Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clement's Lane, Lombard Street, E.C.

## PRUDENTIAL ASSURANCE COMPANY, LIMITED.

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £90,000,000  
CLAIMS PAID - £118,000,000

## Wesleyan & General Assurance Society.

ESTABLISHED 1841. INCORPORATED 1914.

Chief Offices ... BIRMINGHAM.

London Branch Offices:

HALTON HOUSE, 20-23 HOLBORN, E.C.

Accumulated Funds Exceed | Claims Paid Exceed  
£2,300,000. | £7,500,000.

Annual Valuations and Distribution of Profits.  
Copies of the Annual and Valuation Reports, Prospectuses, with revised Rates of Premiums, &c., on application.  
A. L. HUNT, General Manager.

# THE FINANCIAL POST OF CANADA,

"The Canadian Newspaper for Investors."

is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investment for their capital, should study its columns regularly. It is an unequalled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

## THE INVESTORS' INFORMATION BUREAU

will give reliable and unbiased advice by mail on any matter of investment interest free to subscribers.

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FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

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HEAD OFFICE—TORONTO, CANADA.

# UNION- CASTLE LINE.

South and  
East Africa  
ROYAL MAIL  
ROUTE.

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Natal,  
Transvaal,  
Rhodesia,  
East African  
Ports,  
Mauritius,  
etc.

For sailings and other information apply to the Head Office, 3 Fenchurch Street, London. West-end Agency: Thos. Cook & Son, 125 Pall Mall, S.W.

# THE UNION BANK OF MANCHESTER LIMITED.

ESTABLISHED 2nd MAY, 1836.

NOMINAL CAPITAL ... ..	£2,500,000	PAID-UP CAPITAL ... ..	£550,000
SUBSCRIBED CAPITAL ... ..	1,250,000	RESERVE FUND ... ..	355,000

BOARD OF DIRECTORS.—G. C. HAYFORTH, Esq., Chairman; S. CHARLES BEVENS, Esq., and J. R. OLIVER, Esq.; MICHAEL CABABÉ, Esq.; ALLAN H. BRIGHT, Esq. (Liverpool); SIR JOSEPH VELDIN, Bart., D.L.; and Hon. Earl ROXBOROUGH.

GENERAL MANAGER: P. FORRESTER.

Head Office: YORK STREET, MANCHESTER.

## BALANCE SHEET, 30th June, 1915.

Dr.			Cr.		
To Capital	£550,000	0 0	By Cash on Hand, Call, &c.	£1,438,633	0 10
Reserve Fund	355,000	0 0	British Government Securities	1,044,753	0 0
Current, Deposit, and other Accounts	7,023,546	14 0	Other Investments	166,429	11 2
Bills Accepted by the Bank on	418,077	4 3	Bills of Exchange	224,975	0 4
Open Credits, Foreign Bills Negotiated, &c.	266,779	11 4	Advances to Customers	£3,247,741	12 4
Balance of Profit and Loss Account	41,336	11 9	Customers' Liability for B.L. accepted by the Bank	41,377	4 3
			Open Credits, Advances, &c.	266,779	11 4
			Bank Premises and Furniture	299,690	1 1
	£8,654,763	1 4		£8,654,763	1 4

We report that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct statement of the Company's affairs as shown by the Books of the Company, and according to the best of our information and the explanations given to us. We have obtained all the information and explanations that we have required. We further report that we have verified the correctness of the cash balances, money at call, Government Securities, Corporation Loans, and Bills of Exchange.

16th July, 1915.

JONES, CREWDSON and YOUTT, Auditors.

## MANCHESTER BRANCHES.

All Saints—137 Oxford Road	Deansgate—166 Deansgate	Royal Exchange—11 St. Mary's Gate	Seelley and Weaste—133 Eccles New Road
Ardwick—8 Ardwick Green	Irlams-oth' Height	St. Peter's—2 Oxford Street	Strangeways
Broughton Bridge	Pendlebury	Salford	Swan Street
Chesham Hill	Piccadilly	Salford Docks	West Gorton
Corn Exchange	Prestwich		Whitworth Street -67

## COUNTRY BRANCHES.

Accrington	Boothstown	Hale	Lymm	Penketh	Stockport
Alderley Edge	Brierfield	Heatley	Middleton	Ratcliffe	Stonesborough
Altrincham	Brooklands	Heaviley	Middlewich	Ratcliffe	Styal
Andell	Barnley	Heywood	Mossley	Ratcliffe	Summit
Ashton-in-Makerfield	Burnley, Colne Road	Hollinwood	Nantwich	Rochdale	Tyldesley
Ashton-under-Lyne	Bury	Holmes Chapel	Nelson	Romiley	Warrington
Astley	Church	Horwich	Norden	Royton	Whitworth
Audlem	Colne	Knutsford	Northwich	St. Anne's-on-Sea	Wigan
Blackburn	Darbury	Lea	Northwich, Station Road	St. Anne's-on-Sea	Wilmslow
Blackpool	Farnworth	Leigh	Oldham	St. Anne's-on-Sea	Winstanley
Blackley	Garsden	Littleborough	Parrist	St. Anne's-on-Sea	Withington
Bolton				St. Anne's-on-Sea	Woodley

## LIVERPOOL BRANCH: 45 Castle Street.

Foreign Business of every description transacted. Foreign Bills and Cheques collected and remitted. Advances on Foreign National Bank and Gold. Telegraphic Transfers of funds made to all parts of the world.

SAVINGS DEPARTMENT.—Accounts may be opened with £1 and upwards. Full particulars on application. No notice for withdrawals. Important documents taken charge of free.

# BANK OF LIVERPOOL LTD.

ESTABLISHED 1831.

SUBSCRIBED CAPITAL, £13,866,920; OF WHICH RESERVED £8,320,152, CALLABLE £3,813,403.

PAID UP, £1,733,365.

RESERVE FUND, £900,000.

## DIRECTORS, 1914-1915.

### GENERAL BOARD.

Chairman—FREDK. W. CHANCE, Esq., D.L.

Deputy-Chairmen—CHAS. BOOTH, Esq., and W. PEART ROBINSON, Esq.  
OSWALD DOBELL, Esq.  
ARTHUR FARLE, Esq.  
SIR WILLIAM B. FORWOOD, D.L.  
WILLIAM R. GLAZEBROOK, Esq.  
JAMES E. HAGGAN, Esq.  
W. H. HUSTLER, Esq.  
A. T. NEILSON, Esq.  
BENJ. NOBLE, Esq.

A. ALLAN PATON, Esq.  
EDWD. PAUL, Esq.  
JOHN RANKIN, Esq.  
LT. COL. J. P. REYNOLDS, D.L.  
SIR HELENUS R. ROBERTSON.  
J. ARTHUR SLINGSBY, Esq.  
ISAAC H. STOREY, Esq.  
SIR WILLIAM H. TATE, Bart., D.L.

### NORTH EASTERN LOCAL BOARD.

Chairman—SIR JOHN S. BARWICK, Bart.

W. H. HUSTLER, Esq.  
BENJ. NOBLE, Esq.  
JOHN H. B. NOBLE, Esq.

FRANCIS PRIESTMAN, Esq.  
JOHN E. ROGERSON, Esq., D.L.  
SIR WILLIAM H. STEPHENSON, D.L.

General Manager—JAMES H. SIMPSON.

Assistant General Manager—ROBERT L. MCGLASHER.

### District General Managers—

Northern District—F. W. CREWDSON.

North Eastern District—BRODRICK DALE.

Head Office Manager—J. J. RITCHIE.

Superintendent of Branches—T. FISHER CALDWELL.

HEAD OFFICE: 7 Water Street, Liverpool.

### LONDON AGENTS:

GLYN, MILLS, CURRIE and CO. BARCLAY and COMPANY, Ltd.  
COUTTS and CO. UNION OF LONDON AND SMITHS BANK, Ltd.  
WILLIAMS DEACON'S BANK, Ltd.

## BALANCE SHEET, 30th June, 1915.

### LIABILITIES.

Capital paid up—viz. £2 10s. per Share on 698,345 Shares of £20 each ... ..	£1,733,365 0 0
Reserve Fund ... ..	900,000 0 0
Amount due on Current, Deposit, and other Accounts, including the Bank's Acceptances, £2,832,031 1s. 7d. ... ..	35,193,883 13 0
Unpaid Dividends ... ..	£900 7 7
Dividend payable 24th July, 1915 ... ..	133,711 4 0
	139,611 11 7
Balance of Profit carried forward ... ..	75,409 10 9
	£38,045,270 0 4

### ASSETS.

Cash in hand and at Bank of England ... ..	£5,321,133 18 7
At Call or Short Notice with other Bankers and with Bill Brokers ... ..	5,313,975 18 2
Loans on Stocks and other negotiable Securities chiefly under Treasury Minute of 31st January, 1914 ... ..	364,063 5 7
Invested in War Loan, Consols and other First-class Securities ... ..	7,233,907 3 3
Bills of Exchange ... ..	2,319,984 0 0
Loans and Advances to Customers, &c. (after debiting the Bank's Acceptances as per contra), including the Bank's holding in the Yorkshire Penny Bank, Ltd. ... ..	16,621,928 0 4
Bank Premises—Head Office and Branches—at cost, less amounts written off ... ..	631,786 14 5
Bank Purchase Account ... ..	271,000 0 0
	£38,045,270 0 4

Contingent Liability on Indemnities and on Credits opened but not yet accepted against ... ..	£795,668 8 0
Contingent Liability on Bills discounted with the Bank of England ... ..	109,350 0 3
Contingent Liability on the Bank's holding of Shares in the Yorkshire Penny Bank, Ltd. ... ..	20,000 0 0

F. W. CHANCE,  
CHARLES BOOTH,  
W. PEART ROBINSON,  
JAMES H. SIMPSON, General Manager.

We have audited the above Balance Sheet dated the 30th June, 1915, and the Profit and Loss Account for the year to that date.

The Accounts of the Head Office, Liverpool, and Branches in the Liverpool district, Oraven Bank district and Northern district have been examined by the undersigned, Harwood Banner and Son, and the accounts of the North Eastern district have been examined by the undersigned, W. B. Peat and Co., and Thomas Bowden, Sons and Nephew.

We have obtained all the information and explanations we have required, and in our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and explanations given to us, and as shown by the Books of the Company at the Head Office, and certified returns from the Branches.

HARMOOD BANNER and SON,  
W. B. PEAT and CO.,  
THOMAS BOWDEN, SONS and NEPHEW,

Chartered Accountants.

Liverpool, 9th July, 1915.

EVERY DESCRIPTION OF BANKING, TRUSTEE, AND FOREIGN EXCHANGE BUSINESS TRANSACTED.

# THE CAPITAL AND COUNTIES BANK (LIMITED).

Established 1854.

Subscribed Capital .....	£8,750,000
Paid-up Capital .....	1,750,000
Reserve Fund .....	800,000

Head Office—39 Threadneedle Street, London.

Metropolitan Branches—171 Hampton Road, S.W.; 30 Cheapside, E.C.; 22 Fenchurch St., E.C.; 3 Broad Street Place, E.C.; 115 Finsbury St., E.C.; 296 High Holborn, W.C.; 50 Upper Street, Islington; 112 High Street, Kensington, W.; 347 Gray's Inn Road, W.C.; Kingsway House, Kingsway, W.C.; 31-32 King William Street, E.C.; 25 Ludgate Hill; 151 and 153 Newington Causeway; 125 Oxford Street; 195 Edgware Road; 35 Piccadilly; 134 Great Portland Street, W.; 35 Queen Victoria Street, E.C.; 2, Mandeville Place, W.; 210 Commercial Road, E.; 145 High Street, Shoreditch; 38 Victoria Street, Westminster; 20 Green's End, Woolwich, and

479 COUNTRY BRANCHES AND AGENCIES.

EIGHTY-FIRST ANNUAL REPORT, presented to the Shareholders at the ANNUAL GENERAL MEETING, held at the Head Office of the Bank, at 39 Threadneedle Street, London, on Wednesday, the 21st day of July, 1915, at Twelve o'clock noon.

The Gross Profit for the Twelve months ending 30th June, 1915, after making provision for bad and doubtful debts and deducting Rebate on Bills current, amounting to .....

£917,639 6 4

From which has been deducted the General Expenditure of the Company, including Directors' allowances and annuities to retired officers, amounting to .....

£81,233 14 8

Leaving a net profit of .....

£336,455 11 8

To which has been added the balance of profit carried forward at 30th June, 1914 .....

103,450 14 5

Together .....

£439,905 6 1

From which there has already been deducted the dividend declared in January last at the rate of 14 per cent. per annum, subject to deduction of income tax .....

£122,500 0 0

The Directors now declare a further dividend for the past six months at 14 per cent. per annum, subject to deduction of income tax .....

122,500 0 0

And appropriate as follows:—

To Reduction of the Cost of Premises .....

20,000 0 0

" Reduction of the Cost of Investments .....

100,000 0 0

Together .....

£365,000 0 0

Leaving to be carried forward to next account .....

74,906 6 1

BALANCE SHEET, June 30th, 1915.

LIABILITIES.

Capital, viz.:—

175,000 Shares of £50 each, £10 paid .....

£1,750,000 0 0

Reserve Fund .....

800,000 0 0

Amount due on Current Deposit and other Accounts, including provision for bad and doubtful debts and depreciation of Investments .....

47,885,939 4 9

Acceptances covered by cash or securities .....

1,046,514 8 2

Endorsements on Foreign Bills negotiated .....

8,373 0 9

Net Profits .....

£439,905 6 1

January Dividend, subject to deduction of income tax .....

£122,500 0 0

July Dividend, subject to deduction of income tax .....

122,500 0 0

Reduction of the cost of Premises .....

20,000 0 0

Reduction of the Cost of Investments .....

100,000 0 0

365,000 0 0

74,906 6 1

£51,565,702 19 9

ASSETS.

Cash at Head Office, Branches, and Bank of England .....

£4,333,433 7 3

Money at call and short notice .....

8,663,263 13 5

£17,919,753 0 6

Brought forward £17,919,753 0 6

Investments:—  
£3,025,417 7 0.  
Consols at 66½%  
(of which  
£18,012 12s. 3d. is  
lodged for Public  
Accounts).....  
£2,016,944 18 0  
£91,246 18s. 10d.  
2½% Annuities at  
64½%—  
58,491 12 7  
£3,924,200 34%  
War Stock at 95%—  
3,727,990 0 0  
\*Other British  
Government  
Securities (of  
which £132,600 is  
lodged for Public  
Accounts)..... 545,773 6 9

\*India Government 6,349,199 17 4  
Stocks, British Rail-  
way Debenture and  
Preference Stocks,  
and Colonial Gov-  
ernment Stocks  
and Bonds (of  
which £5,000 is  
lodged for Public  
Accounts)..... 1,566,333 19 4  
\*English Corpora-  
tion Stocks and  
other Invest-  
ments..... 637,142 10 9

8,542,676 7 5

£26,462,429 7 11

Bills discounted, loans and other  
accounts, including Pre-Mora-  
torem Stock Exchange Loans .....

22,982,131 8 3

Liability of Customers for accept-  
ances, as per contra .....

1,046,514 8 2

Liability of Customers for Endorse-  
ments, as per contra .....

8,373 0 9

Banking premises in London and  
country at cost, less amounts  
written off for depreciation .....

1,066,254 14 8

£51,565,702 19 9

\*The provision made per Contra for depreciation of  
Investments is sufficient to write these investments  
down to the official minimum prices, or prices quoted in  
the Official List or by Brokers at the 30th June 1915.

W. GARFITT,  
HENRY KIMBER,  
EDWIN HENTY, } Directors.

G. A. HARVEY, } Joint General Managers.  
E. D. VAISEY,  
ED. SMITH, Chief Accountant.

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have obtained all the information and explanations we have required, and having satisfied ourselves of the correctness of the Cash Balances, and examined the Securities held against the Money at Call and Short Notice, and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and Profit and Loss Account, and compared them with the Books at the Head Office, and with the certified Returns from the Branches, we are of opinion that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Bank.

TURQUAND, YOUNGS & CO., Auditors.

13th July, 1915.

RAND MINES, LIMITED.

(Incorporated in the Transvaal.)

DIVIDEND No. 24

Holders of Share Warrants to Bearer are informed that they will receive payment, on or after Wednesday, 11th August, 1915, of Dividend No. 24 (80 per cent., i.e., 4s. per 5s. share), after surrender of Coupon No. 24, at the London Office of the Company, No. 1 London Wall Buildings, E.C., or at the Credit Mobilier Français, 30 and 32 Rue Taitbout, Paris.

Coupons belonging to holders resident in the United Kingdom will be subject to deduction of English Income Tax at the rate of 2s. 6d. in the pound.

All Coupons presented at the Crédit Mobilier Français, Paris, as well as any presented at the London Office for account of holders resident in France, will be subject to a deduction of 1s. 9d. in the pound on account of French Transfer Duty and French Income Tax.

Coupons must be left four clear days for examination, at either of the offices mentioned above, and may be held any day (Saturdays excepted) between the hours of 11 and 2.

Listing Forms may be had on application By Order of the Board.

A. MOIR, London Secretary

London Office

No. 1 London Wall Buildings, E.C.

22nd July, 1915.

ENGLISH, SCOTTISH AND

AUSTRALIAN BANK (Limited).

Head Office: 38 Lombard Street, E.C.

Subscribed Capital .....

£1,078,875 0 0

Paid-up Capital .....

539,437 10 0

Further Liability of Proprietors .....

539,437 10 0

Reserve Fund .....

350,000 0 0

LETTERS OF CREDIT AND DRAFTS on the

Branches and Agencies of the Bank in Australia can

be obtained at the Head Office or through the Agents

of the Bank in the chief Provincial Towns throughout

the United Kingdom.

REMITTANCES made by TELEGRAPHIC

TRANSFER, BILLS NEGOTIATED or forwarded

for COLLECTION, BANKING and EXCHANGE

business of every description transacted with Australia

E. M. JANION, Manager.

# THE ARIZONA COPPER COM- PANY, LIMITED.

ORDINARY SHARES

DIVIDEND ON SHARES TO BEARER.

Holders of Share Warrants to Bearer are informed that they will receive payment of the Interim Dividend for the year to 30th September, 1915, at the rate of One Shilling per Share, net of Income Tax, on and after Friday, 30th inst., on presentation of Coupon No. 22 at the Company's Office, 39 St Andrew Square, Edinburgh.

Coupons must be left two clear days for examination.

By Order,

WILLIAM FALEY MILLER, Secretary.  
Company's Office:  
29 St Andrew Square, Edinburgh,  
23rd July, 1915.

# EAST RAND PROPRIETARY MINES, LIMITED.

(Incorporated in the Transvaal.)

DIVIDEND No. 20.

DIVIDEND ON SHARES TO BEARER.

Holders of Share Warrants to Bearer are informed that they will receive payment on and after the 5th August, 1915, of the dividend of 6½ per cent. (i.e., 1s. 3d. per share) after surrender of Coupon No. 20 at the Head Office of the Company in Johannesburg, at the London Transfer Agency of the Company, 4 London Wall Buildings, E.C., or at the Credit Mobilier Français, 30 and 32 Rue Taitbout, Paris.

Coupons belonging to holders resident in the United Kingdom will be subject to the deduction of the English Income Tax at 2s. 6d. in the £.

Coupons belonging to holders resident in France presented at the Credit Mobilier Français, at the London Transfer Agency, or at the Head Office will be subject to the deduction of 1s. 8d. in the £ on account of the French Income Tax and the French Transfer Duty.

Coupons belonging to holders resident in foreign countries other than France must be presented at the London Transfer Agency, and if accompanied by the usual Inland Revenue affidavits payment of the dividend will be made without deduction.

Coupons presented at the Head Office in Johannesburg must be accompanied by affidavit or Statutory Declaration stating the full name and address of the owner of the Share Warrants from which such Coupons have been detached.

Coupons must be left four clear days for examination, and can be lodged from this date at either of the above-mentioned offices between the hours of 11 and 2 (Saturdays excepted).

Listing forms may be had on application.

Dividend Warrants will be posted to all registered shareholders (other than those resident in enemy territory) on the 4th August, 1915.

By Order,

HERBERT T. HAYWARD,  
London Secretary.

London Transfer Agency:

4 London Wall Buildings, E.C.,

21st July, 1915.

# EAST RAND PROPRIETARY MINES, LIMITED.

(Incorporated in the Transvaal.)

ISSUE OF NEW COUPONS IN EXCHANGE

FOR TALONS.

Holders of Share Warrants are informed that the Company will be prepared to issue on or after 16th August, 1915, new Coupons (Nos. 21-55) in exchange for Talons detached from Share Warrants.

The Talons should be listed on the forms provided for the purpose, and surrendered as from this date, either at the Head Office of the Company, Johannesburg, or at the London Transfer Agency, 4 London Wall Buildings, E.C., or at the Credit Mobilier Français, 30 and 32 Rue Taitbout, Paris, in exchange for which sheets of new Coupons will be issued in due course, free of charge.

The sheets of new Coupons can only be forwarded by post at the request and risk of the persons who deposit the Talons, and to such address as they respectively may direct.

Listing forms may be obtained on application at either of the Offices referred to above.

By Order,

HERBERT T. HAYWARD,  
London Secretary.

London Transfer Agency:

4 London Wall Buildings, E.C.,

21st July, 1915.

# THE MODDERFONTEIN DEEP LEVELS, LIMITED.

(Registered under the Limited Liability Laws of the Transvaal.)

DIVIDEND No. 1.

NOTICE IS HEREBY GIVEN that Warrants in respect of Dividend No. 1 of 10 per cent. per share payable to Shareholders registered at the close of business on Wednesday, the 30th June last, will be despatched to Registered European Shareholders (other than those resident in enemy territory) from the London Transfer Office on or about the 14th August.

By Order,

H. ROGERS, London Secretary.

London Transfer Office:

Pinner's Hall, Austin Friars, E.C.,

22nd July, 1915.

**THE UNION DISCOUNT**COMPANY OF LONDON, LIMITED,  
39 CORNHILL, E.C.

Capital and Reserves	£1,000,000
Capital Subscribed	1,000,000
Paid up	1,000,000
Reserve Fund	1,000,000

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed for money on Deposits is raised as follows: At Call, to Three and a half per Cent. at 7 and 14 days' or longer notice, to Four and three quarters per Cent. The Company is an approved bank and mercantile acceptances are received money on deposit at rates advertised from time to time in the London Daily Papers, and various issues on approved negotiable securities.

CHRISTOPHER R. NUGENT, Manager.

July 22, 1915.

**ALEXANDERS AND CO., LTD.,**

24 Lombard Street, E.C.

Capital	£1,000,000
Subscribed	1,000,000
Paid up	1,000,000
Reserve Fund	1,000,000

The Rate of Interest allowed on Deposits is raised this day raised to 3½ per Cent. at Call and 4½ per Cent. at seven and fourteen days' notice. Money received for fixed periods at special rates. The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.

F. NEWCOMB, Manager.

July 22, 1915.

**NATIONAL DISCOUNT**

COMPANY, LIMITED.

Subscribed Capital	£4,000,000
Paid-up Capital	846,665
Reserve Fund	500,000

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed for money on Deposits is raised as follows:

To 3½ per Cent. per annum at call.

To 3½ per Cent. at 7 and 14 days' notice.

Approved Mercantile Bills discounted. Money received on Deposit at Call and short notice, and interest allowed at the current market rates, for longer periods upon specially agreed terms. Loans granted upon negotiable securities.

35 Cornhill, London, E.C., July 22, 1915.

**THE UNION OF LONDON**

AND SMITHS BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the RATE of INTEREST allowed on DEPOSITS at the Head Office and Metropolitan Branches, repayable on seven days' notice, will be Three per Cent. per annum from this date until further notice, which will be given by advertisement only.

H. H. HART, Manager (Town and Country).

L. E. THOMAS, Manager (Country).

No. 2 Princes Street, E.C.:

July 22, 1915.

**BRITISH LINEN BANK**

(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 3 per Cent. until further notice.

JAMES LITTLE, Manager.

Threadneedle Street, London, E.C.:

July 22, 1915.

**LONDON & SOUTH-WESTERN**

BANK, LIMITED.

Head Office, 170 Fenchurch Street, E.C.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day raised to 3 per Cent. per annum.

July 22, 1915.

H. H. HAMBLING,  
General Manager.**BANK OF SCOTLAND**

(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts will be 3 per Cent. until further notice by advertisement.

WILLIAM SMILLIE, Manager.

No. 30 Bishopsgate, E.C.:

July 22, 1915.

**THE LONDON JOINT STOCK**

BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day advanced to 3 per Cent. per annum.

CHARLES GOW, General Manager.

5 Princes Street, Mansion House:

July 22, 1915.

**THE COMMERCIAL BANK OF**

SCOTLAND, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3 per Cent. until further notice by advertisement.

GEO. S. COUTTS, Manager.

No. 62 Lombard Street, London, E.C.:

July 22, 1915.

**PARR'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office and Metropolitan Branches on Deposits at seven days' call is 3 per Cent. per annum until further notice.

JOHN STEWART, Joint General  
JOHN RAFF, Manager.

Bartholomew Lane, E.C.:

July 22, 1915.

**LONDON COUNTY AND**

WESTMINSTER BANK LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the Interest allowed to Depositors is this day raised to the following Rates, viz.:

On Deposits subject to seven days' notice 3 per Cent., and on Deposits at Call 2½ per Cent. until further notice.

F. J. BARTHORPE,

Head Office Manager.

No. 41 Lothbury, E.C.:

July 22, 1915.

**NATIONAL PROVINCIAL**

BANK OF ENGLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office, Bishopsgate, and London Branches, is this day raised to 3 per Cent. for money placed on Deposit at seven days' notice.

T. ESTALL,

D. J. H. CUNNICK, Joint General  
E. ELEY, Manager.

No. 15 Bishopsgate, London, E.C.:

July 22, 1915.

**LLOYDS BANK LIMITED.**

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank upon Deposits at its Metropolitan Branches is raised to 3 per Cent. for money at seven days' notice.

HENRY BELL,

General Manager.

No. 71 Lombard Street:

July 22, 1915.

**THE LONDON CITY AND**

MIDLAND BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at seven days' call at the Head Office and London Branches will be 3 per Cent. until further notice.

J. M. MADDERS,

S. B. MURRAY, Joint General  
F. HYDE, Managers.

L. W. WOOLLEY,

No. 5 Threadneedle Street, E.C.:

July 22, 1915.

**THE UNION BANK OF**

SCOTLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be 3 per Cent. per annum from this day until further notice.

GEO. J. SCOTT, Manager.

London Office, 62 Cornhill, E.C.:

July 22, 1915.

**THE CLYDESDALE BANK,**

LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3 per Cent. per annum until further notice.

JOHN CRAGG, Manager.

30 Lombard Street, London, E.C.:

July 22, 1915.

**MARTIN'S BANK, LIMITED.**

NOTICE IS HEREBY GIVEN that the Rate of Interest on Deposits with the Head Office of this Bank subject to seven days' notice will be 3 per Cent. per annum from this date until further notice.

G. BROMLEY MARTIN,

Managing Director.

No. 68 Lombard Street, E.C.:

July 22, 1915.

**THE CAPITAL AND COUNTIES**

BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE OF INTEREST allowed on DEPOSITS repayable on SEVEN DAYS' NOTICE is this day raised to Three per Cent. per annum.

G. A. HARVEY, Joint General  
E. D. VAISEY, Managers.

No. 39 Threadneedle Street, E.C.:

July 22, 1915.

**ROYAL BANK OF SCOTLAND**

(London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 3 per Cent. until further notice.

W. WALLACE, Manager.

No. 3 Bishopsgate, E.C.:

July 22, 1915.

**WILLIAMS DEACON'S**

BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be 3 per Cent. per annum from this date until further notice.

JOHN J. MEAGHER,

Manager.

No. 100, Abchurch Lane, E.C.:

July 22, 1915.

**THE NATIONAL BANK OF**SCOTLAND, LIMITED, Incorporated by  
Royal Charter and Act of Parliament.

London Office: Newmarket Square, Lombard Street.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3 per Cent. per annum for money at seven days' notice.

J. FERGUSON, Manager.

July 22, 1915.

**HARRODS' BANK.**

The Directors of HARRODS' STORES, LTD.,

HEREBY GIVE NOTICE that INTEREST allowed by this Banking Department on Deposits will be at the rate of FOUR PER CENT. PER ANNUM, free of Income Tax, from July 23 (inst.) until further notice.

Brompton Road, S.W., July 22, 1915.

**TENDERS.****THE SOUTH INDIAN RAIL-**

WAY COMPANY, LIMITED, are prepared

to receive Tenders for the supply of

COPPER PLATES for Locomotives, for

STEEL DISC WHEELS for AXLES, for

LAMINATED VOLTIL and HELICAL

SPRINGS.

Specifications and Terms of Tender may be

obtained at the Company's Offices

Tenders addressed to the Chairman and

Directors of the South Indian Railway Co.,

Ltd. marked "Tender for Copper Plates" or

as the case may be, must be left at the Offices

of the Company not later than one o'clock on

Wednesday, the 4th August, 1915.

The Company is not bound to accept the

lowest or any Tender.

A charge, which will not be returned, will

be made of Rs. for each copy of the Specifi-

cations.

Copies of the drawings may be obtained on

payment at the office of Robert White, Esq.,

Mechanical Consulting Engineer to the Com-

pany, 3 Victoria Street, S.W.

91 York Street, Westminster, S.W.,

19th July, 1915.

**LOST OR MISLAID.**

About June 14th 1915

TWO BONDS of £100 each

**BRAZILIAN GOVERNMENT**

5 per Cent. of 1889, Nos. 145 and 146, with

coupons, 1st August 1915, and after

that date, please communicate with the

brokers, one of DAVES &amp; CO. Advertising

Agents, Finch Lane, E.C.

**SOUTH MANCHURIAN RAIL-**

WAY COMPANY, LIMITED.

FIVE PER CENT. STEELING BONDS

NOTICE IS HEREBY GIVEN that the

Coupons due 5th August, 1915, will be paid

on and after that date on business days

between the hours of eleven and three by the

Yokohama Specie Bank, Ltd., where lists may

be obtained.

Coupons must be left there for examination

prior to their payment.

For the Yokohama Specie Bank, Ltd.,

K. KATSUMI, Manager.

Bankers, London, E.C.:

21st July, 1915.

**SOUTH METROPOLITAN GAS**

COMPANY.

NOTICE IS HEREBY GIVEN that the

Ordinary Half-yearly General Meeting of the

Proprietors of this Company will be held at

De Keyser's Royal Hotel, Victoria Embank-

ment in the City of London on Wednesday,

the 11th day of August next, at two o'clock

in the afternoon precisely, to receive the

Directors' Report and the Accounts of the

Company for the half-year ended the 30th June

last and to declare a Dividend for the same

period.

The Transfer Books will be closed from the

28th day of July instant until after the

meeting.

By Order,

F. McLEOD, Secretary.

Offices: 79 Old Kent Road, London, S.E.:

17th July, 1915.

CANADA.

**THE DOMINION BANK.**

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000.

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.  
C. A. BOGERT, General Manager.**LONDON BRANCH, 73 CORNHILL, E.C.**

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.  
General Banking Business transacted. Information  
furnished regarding Canadian matters.**LIVERPOOL COURIER**

The newspaper of the business man of Lancashire and Cheshire. No business house of any standing is without it.



The organ of the wealthy classes of the North-Western Counties and of North Wales. Its influence is wide and far reaching.



It is the best provincial medium for all classes of financial advertising. Investors in a wide area can only be thoroughly reached through its columns.

An application to the London Manager, 187 Fleet Street, E.C., will bring details of Charges. Private wire to Liverpool is open day and night.

**The Liverpool Courier****THE STOCK EXCHANGE.**

NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITHE,

Secretary to the Committee of the Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

**B.I. REGULAR SERVICES TO**

EGYPT, CEYLON, INDIA, PERSIAN GULF, EAST AFRICA, MAURITIUS, BURMAH, STRAITS, CHINA, JAPAN AND AUSTRALIA.

WELL-APPOINTED STEAMERS.

For further information please apply:—  
GRAY, DAWES & Co., 23 Great Winchester Street, E.C., and 16 Northumberland Avenue, W.C.; or GELLATLY, HANKEY & Co. Dock House, Billiter Street, E.C., and 62 Pall Mall, S.W.**AUSTRALIA For Manufacturers.**

To the British manufacturer with capital Australia offers a remarkable field for enterprise. ¶ Australia's raw material is as varied in character as it is unlimited in quantity. Further, it is cheaply won. ¶ The Australian people are extremely prosperous, and are, in consequence, liberal spenders. Already the Commonwealth is Great Britain's third best market. ¶ But under the Revised Tariff the Australian manufacturer gets a substantial protection. The Australian people are showing a growing preference for home-made goods. The British manufacturer will do well to consider the establishment of branch factories in Australia. ¶ Australia is rapidly filling up her empty spaces. The most pronounced movement to-day is the spread of farming. More farmers mean more production, more wealth and more people—an ever-expanding market. Now is the time for the manufacturer to establish himself inside the tariff.

For particulars apply to—

The High Commissioner for Australia,  
72 VICTORIA STREET, LONDON, S.W.**THE NATIONAL BANK OF SCOTLAND LIMITED**

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.**Head Office—EDINBURGH.**

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

**London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.**

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &amp;c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

# THE LONDON ASSURANCE.

Incorporated by Royal Charter A.D. 1720.

For FIRE, LIFE, MARINE, ACCIDENT, CAPITAL and LEASEHOLD REDEMPTION, BURGLARY and PLATE-CLASS Assurances.

Head Office—No. 7 ROYAL EXCHANGE, LONDON.  
West-End Office—22 PALL MALL, S.W.

Governor—COLIN FREDERICK CAMPBELL, Esq.

Sub-Governor—ROBERT HENRY BENSON, Esq.

Deputy Governor—CHARLES S. S. GUTHRIE, Esq.

Secretary—C. A. DENTON, Esq. Underwriter—E. F. NICHOLLS, Esq.

Manager of the Fire, Life and Accident Departments—JAMES CLUNES, Esq.

Actuary—A. G. HEMMING, Esq.

The Corporation has granted Fire, Life and Marine Assurances for nearly Two Hundred Years, and now also undertakes Capital and Leasehold Redemption, Burglary, Plate-Glass and Accident Business, including Liability to Employers in respect of Domestic Servants, Shop and Warehouse Assistants, under the Workmen's Compensation Act of 1906.

## PEARL

### ASSURANCE COMPANY, LTD.

Chief Offices: High Holborn, W.O.

Annual Income ... .. £3,466,000  
Claims Paid exceed ... .. £16,000,000

Additional Representatives Wanted.

F. D. BOWLES, } Managing Directors.  
G. SHRUBSALL, }

## BRITANNIC ASSURANCE CO., LTD.

ORDINARY BRANCH.—Whole-Life Assurances, with and without profits.  
Endowment Assurances, with and without profits.  
House Purchase in combination with Life Assurance.  
INDUSTRIAL BRANCH.—Adult Assurances, Whole Life and Endowment.  
Children's Assurances, Whole Life and Endowment.

OVER £10,120,000 PAID IN CLAIMS.

FUNDS EXCEED £3,793,000.

Agents required in all parts of the United Kingdom, splendid opportunities for energetic men

Chief Offices: BROAD STREET CORNER, BIRMINGHAM.

## WESTERN ASSURANCE COMPANY.

Incorporated in Canada 1851.

Paid-up Capital £513,698. Total Losses Paid exceed £12,600,000.

**FIRE** Consequential Fire Loss **MARINE**  
Insurances granted at Current Rates.

British and Foreign Office - 14 CORNHILL, E.C.

W. A. MILES, Fire Manager. H. M. BENTLEY, Assistant Fire Manager

R. H. R. BURDER, Underwriter and Secretary.

## LONDON & MANCHESTER ASSURANCE COMPANY, LIMITED.

Chief Office - 50 FINSBURY SQUARE, LONDON, E.C.

Allied with National Amalgamated Approved Society for National (Health) Insurance.

PREMIUM INCOME exceeds ... .. £700,000  
FUNDS exceed ... .. £1,250,000

## REFUGE ASSURANCE COMPANY Ltd.

Chief Office: OXFORD STREET, MANCHESTER.

Premium Income Exceeds - £3,500,000.  
Funds Exceed - £11,000,000.  
Claims Paid Exceed - £20,000,000.

## SUBSCRIPTION TO "THE STATIST."

TO INCLUDE ALL SUPPLEMENTS.

Payable in Advance.

Inland.

ONE YEAR, £1 10 0 | HALF-YEAR, £0 15 0

(Post Free.)

For Colonies and Abroad (within Postal Union).

ONE YEAR, £1 17 4 | HALF-YEAR, £0 18 8

(Post Free.)

OFFICES: 51 Cannon Street, E.C.

## POINTS from the ANNUAL REPORT of the NATIONAL PROVIDENT INSTITUTION

for the Year ending 20th November, 1914.

Mortality experience... .. 72½%  
Expense Ratio ... .. 10.2%  
Rate of Interest, less Tax ... .. £4 1 10%

"This fine Mutual Society offers all that is best in Life Assurance."—*Financial Times.*

WRITE FOR PROSPECTUS TO 48 GRACECHURCH STREET, E.C.

## ROYAL LONDON INSURANCE OFFICES.

ROYAL LONDON MEDICAL INSURANCE SOCIETY, LTD.

ROYAL LONDON AUXILIARY INSURANCE COMPANY, LTD.

LIFE, FIRE, ACCIDENT.

Head Office:

ROYAL LONDON HOUSE, FINSBURY SQUARE, LONDON, E.C.

JOHN PEARCE, HORME DUFFELL, Managing Directors.

## Replacement of Capital.

Directors of Public Companies can make provision for repayment of Debentures, Manufacturers for Depreciation in Plant and Machinery, and Property Owners for the falling in of Leases, by effecting a Capital Redemption Policy with the Standard Life Co.

MAXIMUM SECURITY. MINIMUM EXPENSE.

Write for Leaflet "D.6"

## The STANDARD LIFE Assurance Co. Estd. 1825.

Head Office: EDINBURGH: 3 George Street.

London: 81 King William Street, E.C.,  
and 3 Pall Mall East, S.W. Dublin: 59 Dawson Street.

## IMPORTANT NOTICE.

### AUGUST HOLIDAY ARRANGEMENT.

"THE STATIST" will be published on Friday next,  
July 30, instead of on Saturday.

# The Statist.

LONDON, SATURDAY, JULY 24, 1915.

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# The Money Market.

Friday Evening, July 23, 1915.

## Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	DEPOSIT RATES.		
		BANKS. NOTICE.	DISCOUNT Houses.	HOUSES.
July 22, 1915...	—	3	3½	3½
April 8, " ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

## Treasury Bills:—

	3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price...	£99 6s. 1½d.	£98 3s. 5½d.	£97 3s. 6d.	£96 5s. 0d.
Discount Rate	2½%	3½%	3½%	3½%

## Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills	5	5	5½	5½
Trade Bills	—	5½	5½	5½-6

## THE FUTURE OF MONEY.

THE payment of the 10 per cent. instalment on the new War Loan, together with payments in full under discount, brought a very large sum of money to the Bank of England this week. On the whole, however, the amount was no greater than had been generally expected. According to the Bank of England weekly statement, the addition to the public deposits was £56,000,000, but evidently this was the balance after the disbursement of a large amount of money. For one thing, the Government is reported to have repaid to the Bank of England the money advanced by the Bank for the purpose of taking up frozen bills. If this be so, it is probable that beyond the 10 per cent. instalment, which realised £60,000,000, another 10 per cent. of the loan was paid up in full, and that the total sum received in this way was about £120,000,000. The operation was carried through by the Bank of England with the greatest ease, and no inconvenience was experienced by bankers. A number of persons took advantage of the facilities at their disposal at the Bank of England to obtain advances from the Bank in order to meet the calls upon them until the money should be redisbursed. If it be true that the Government paid off something like £50,000,000 of its obligations to the Bank in respect of frozen bills, &c., the borrowings from the Bank for the purpose of making the payments amounted to something like £75,000,000, the "other" securities increasing on balance £24,546,000. Some bankers, however, preferred to reduce their cash balances with the Bank. This accounts for a reduction of £23,000,000 in "other" deposits. Further, beyond the reduction in bankers' balances, the Bank received over £7,000,000 in notes and in gold and about £3,000,000 of currency notes. Furthermore, bankers took advantage of their privilege to obtain currency notes to the extent of a little over £3,000,000. We understand that of the influx of gold £3,000,000 came from the London City and Midland Bank. Thus, roughly speaking, a payment of upwards of £120,000,000 of money to the Bank of England in connection with the loan was met as to £23,000,000 by a reduction in bankers' balances with the Bank of England, and by the payment of cash to the extent of about £13,000,000.

Now that the market is heavily indebted to the Bank of England, it is obvious that rates of discount will be firmly maintained at Bank rate. This is now the rate for two and three months' bills, while four months' are quoted at 5½ per cent. and six months' sometimes as high as 5½ per cent.

Now that the Government loan is out of the way, attention is being concentrated on the American exchange, the rate for sight drafts having now fallen to 4 76½. Although the question of our trade balance with the States is a matter requiring very careful consideration, we would point out that its rectification is now only a matter of time. We would specially call attention to the statement of the Prime Minister to the deputation of bankers and merchants, which we print elsewhere, and we would likewise draw attention to his outline of the policy which the Government proposes to pursue, not merely for the purpose of balancing the Budget, but in order to rectify the foreign exchanges. We have no doubt whatever that if the Government's policy is carried out, very great economies will be effected in the national expenditure, and that as a result of these our imports will show great decline, while our exports will expand, and that the whole situation will be adjusted in a normal and proper way, by keeping the nation's expenditures within its income and its purchases within its power to pay for them. We anticipate, indeed, that any difficulty that may be experienced in settling the trade balance may be quite temporary.

A few weeks ago we drew the attention of the American public to the steps that would have to be taken on this side if any difficulty was experienced in paying for the goods we were purchasing by means of goods and securities. We pointed out that no country can purchase more than its income permits it to buy, unless it is able to borrow. The condition of the American exchange is bringing home to everyone the supreme importance of economy, and the campaign that is now being conducted throughout the country for the purpose of inducing the people to become more economical, *plus* any measures the Government may find it necessary to take in order to balance the Budget, cannot fail to have the effect of so curtailing consumption that the adverse trade balance will be automatically adjusted. In proportion as it is not possible for us or for our Allies to pay for purchases from the United States in securities or in goods, in that proportion will the British people introduce economy. It will be recognised that the power of economy in this country is very great, and that little or no difficulty should be experienced in reducing the consumption of the nation to an extent sufficient to adjust the trade balance and to rectify the exchanges.

Of course, until the policy sketched out by the Prime Minister is initiated, the exchanges will remain adverse. Hence it is essential that rates for money should be maintained at a level that will attract to this market all the money that can be attracted from other countries by a profitable rate of interest. And it is conceivable that, in order to protect our gold reserves from undue depletion, a Bank rate higher than 5 per cent. may for a time become necessary.

## DEPOSIT RATES.

DEPOSIT rates allowed by the joint-stock banks have been raised this week from 2 per cent., at which they have stood since October 9 last, to 3 per cent. The discount houses have likewise raised their rates, the increase in this case having been 1½ per cent., making rates for call and notice money 3½ per cent. and 3½ per cent. respectively.

## THE BANK OF ENGLAND.

THE addition to the Bank's reserve this week was as much as £7,020,000, restoring the total to £44,102,000. Of this sum £2,622,000 came in from abroad and £3,678,000 was received from this country, whilst £720,000 in notes also came in. Of the gold that came from abroad, £1,000,000 came in from India and about £1,500,000 from South Africa. The total sum received reached £2,822,000. On the other hand, £200,000 was withdrawn. The total

stock of gold has been increased by £6,300,000 to £59,126,000, while the note circulation has been reduced to £33,774,000. The public deposits increased £6,210,000 to the large total of £109,226,000, while the other deposits were reduced £23,363,000 to £134,620,000. On balance there was an addition of £24,546,000 to the "other" securities, bringing the total to the great sum of £164,567,000. Until this week the greater part of the "other" securities consisted of loans to the Government, now the greater part are loans to the public. The proportion of reserve to liabilities has risen this week from 17.58 per cent. to 18.08 per cent. There was a net reduction this week of £2,912,000 in the amount of Currency Notes in circulation. On the other hand, there was an addition of nearly £3,100,000 to the advances of notes to bankers, and as the amounts of gold and Government securities held against the notes in circulation were unchanged, the balance of cash at the Bank of England was reduced nearly £6,000,000 to £5,399,000. The amount of Currency Notes now in circulation is £46,386,000, against which £28,500,000 in gold is held.

### MONEY IN NEW YORK.

The supply of money in New York remains abundant, and call loans can be obtained at less than 2 per cent., while time money is quoted at 3 to 3½ per cent. The reserves of the Associated Banks last week increased £2,200,000 to £119,202,000, and as their loans increased £400,000, their deposits were nearly £3,000,000 greater. Nevertheless, the addition to the reserve was as much as £1,600,000. The amount of the surplus reserve is now £32,448,000.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate July 22	Par as usually quoted	Discount %
London ... sight	\$4 76½	4 86½ dollars for £1	2.0
" ... cables	\$4 77½		
" ... 60 days	\$4 72		
Amsterdam ... sight	40 f.c.	40½ cents for 1 guilder	0.4
Berlin ... sight	81½c.	95 cents for 4 marks	13.8
Copenhagen ... cheques	25.35c.	26½ cents for 1 kronen	4.1
Italy ... sight	6.20l.	5.18 lire for \$1	19.6
Paris ... sight	5 64½ fr.	5.18 francs for \$1	8.9
Petrograd ... sight	32½c.	51½ cents for 1 rouble	36.4
Mexico ... Mex. silver \$	35c. U.S.	50c. U.S. for 1 Mex. \$	24.0
Switzerland ... sight	5 35fr.	5.18½ francs for \$1	3.2
Vienna ... sight	15 20c.	20½ cents for 1 kronen	24.9

Rates for prime commercial paper and for call loans in New York are as follows:—

July 22, 1915...	Prime paper ...	3-3½%	Call money ...	1½%
July 23, 1914...	" " ...	4½-5%	" " ...	2%

We greatly regret to learn of the death in Cuba of Mr. Charles A. Conant, of New York. For many years Mr. Conant has contributed special articles to THE STATIST on currency and other matters in which he was a recognised expert, and his contributions materially assisted in the solution of the problems he discussed. Mr. Conant served on the Commission that investigated the Gold Standard for China, and he represented the United States at The Hague in 1910 and 1912 when a great effort was made to standardise bills of exchange. Only a few weeks ago we published an article from his pen on Currency Reform in Cuba, a work upon which he was engaged at the time of his death. Of his scientific works the one of greatest value was "The History of Modern Banks of Issue," of which several editions have been published. It will, indeed, be difficult to fill the place left vacant by Mr. Conant, who was a man of great modesty and of great ability.

### POSITION IN INDIA.

Exchange is rather firmer this week, the rate from Calcutta coming at 1s. 3½d. There were practically no tenders for the Council drafts offered. Money continues to accumulate in India and is very abundant. This is reflected in the further increase in the coined silver in the Currency Department to the large total of 3,830 lacs. This week £1,000,000 of gold has been released from the Indian Paper Currency Reserve.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent. (June 4, '15).

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, July 21, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate,	Tendered,	Accepted,		Rate,	Tendered,	Accepted,	
s. d.	Rs.	R	%	s. d.	Rs.	Rs.	%
1 3½	20,000	20,000	100	—	—	—	—
Offered.				Tendered.			
Grand Total	...	Rs. 10,00,000	...	Rs. 20,000	...	Accepted.	...

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

BILLS.	Telegraphic Transfers.	
Rs. Average. Minimum.	Rs. Average. Minimum.	Rs. Average. Minimum.
20,000	1 3½	1 3½

From April 1 to July 20 inclusive the Council have granted remittances for Rs. 2,74,16,978, realising £1,825,467. Up to July 21 of last financial year the total Bills and Transfers sold was Rs. 4,57,23,332, realising £3,052,482. The total sales for the week ended July 20 amounted to Rs. 15,00,000, realising £996. The amount to be offered for tender next Wednesday will be 10 lacs.

### SILVER.

THE Silver market has been weak, and the price has fallen from 22½d. to 22¾d. There has been practically no buying from the East, and the only inquiry is from the Continent.

	July 16	17	19	20	21	22	23
London ...	22½	22½	22½	22½	22½	22½	22½
India ... Rs. 58½	58½	58½	58½	58½	58½	58½	58½
Exchange	1/3½	1/3½	1/3½	1/3½	1/3½	1/3½	1/3½

## Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

	TICKET DAY.	PAY DAY.	CONSOLS.
Settlement Days.	Wed., July 28	Thurs., July 29	Thurs., Aug. 5
	Wed., Aug. 11	Thurs., Aug. 12	—

THROUGHOUT the week there has continued a generally depressed state of markets, and till the official announcement made on Wednesday there was great uncertainty as to what would be done in respect of the commencement of dealings in the new War Loan. The Stock Exchange Committee has come to the decision that as the scrip is timed to be ready by July 29, dealings in the *cum* rights scrip shall be permitted to commence on that date, but no dealings will be allowed to be effected in *ex* rights scrip until August 3. Applications in respect of conversion of old War Loan will not take effect until after August 3, and Consols till after September 1.

The nadir price of old War Loan during the time that holders sought to sell with a view to investing in the new War Loan was about 92½. After the closing of the subscription lists of the new War Loan the price steadied to a level of about 92½, and late this week sharply hardened at one time to 93½, reacting to 93¾ at the last. As an outcome of the conversion rights attaching to the possession of the new War Loan scrip *cum* rights, which rights are exercisable as to old War Loan after August 3, it is not improbable that a further firming up in price may be witnessed. When conversion rights can be exercised, after September 1, in respect of Consols, doubtless a good many holders of Consols who do not look to capital increment, but rather to an increase in their income, will enter into arrangements with those persons who hold new War Loan *cum* rights scrip to effect a conversion, and hand back an agreed proportion of new War Loan scrip *ex* rights to the Consols holder. A not inconsiderable proportion of holders of Consols, however, especially trustees who object to borrowing under the powers given in the recent Trustees' Powers Act, will elect to sit tight on their Consols and wait for the end of the War, when probably an increment in capital value of Consols will occur through rise in price. Those who are interested

in the conflict of opinion that exists concerning this matter will doubtless like to have their attention called to the remarks of Sir Felix Schuster at the meeting of the Union of London and Smiths Bank reported in the daily papers of July 22.

There has been a great deal of shifting of investment money as an outcome of the patriotic desire to find resources wherewith to subscribe for the War Loan, and the strain on the market has been very heavy. In normal circumstances, with a free market and no restriction of minimum prices, as is now the case, the endeavours to effect realisations would have been spread over a much larger number of securities; but many high-class securities could not be realised owing to the enforcement of the minimum price, below which dealings could not be effected. Securities not subject to a minimum price were pressed for sale at a time when few persons willing and able to buy were to be found. Happily, New York took stock offered by this country very freely; but securities in which London is virtually the only market receded very considerably in price, and in the case of the Home Railway market, in the circumstances of most Debenture and Preference stocks being subject to minimum prices, the brunt of the selling fell on the Ordinary and Preferred and Deferred Ordinary stocks. As an outcome of the pressure of selling, we now have quotations at levels which have brought up the yields on the stocks, based on the dividends of 1914, to very high figures. The detail of these figures was given at page 105 of our last week's issue, but we may again call attention to the features of such high yields as 8 per cent. for Great Northern "A," over 7 per cent. on some of the Scotch stocks and a few of the English stocks, and between 6 per cent. and 7 per cent. on English railway Ordinary stocks, such as Lancashire and Yorkshire, London and South-Western, Brightons, Midland Deferred, and North-Eastern. The yield on Great Western is in the region of 6 per cent., and London and North-Western about 5½ per cent. During this week a partial recovery has occurred in some of the favourite Home railway stocks, mainly owing to the settlement of the coal strike.

Evidently the London and North Western Railway proposes to issue at an early date the Redeemable Preference stock which has been anticipated for some weeks past, a special meeting having been called for August 5 for the purpose, first, of rescinding resolutions passed on February 15 whereby £2,250,000 of Consolidated stock was created and other powers were given to the Company, and, secondly, of obtaining authorisation to create and issue not more than £1,500,000 of new Preference stock to be redeemed at par on June 30, 1925. The proposed stock is to rank *pari passu* with the existing 4% Preference stock of 1902. The rate of interest on the new stock is not to exceed 4½ per cent., and it is probable the price at which the stock will be offered will be closer to par than in the case of existing 4% 1902 Preference, now quoted at 94.

### COAL STRIKE SETTLEMENT.

The country is to be congratulated on the successful manner in which the Government terminated the coal strike. It wisely deputed Mr. Lloyd George, Mr. Runciman, and Mr. Henderson to go to South Wales to meet the employers and employed face to face, and to cause them to realise the seriousness of their action. The terms of settlement are of no great importance in comparison with the settlement itself. The concessions made to the men should, however, make them entirely satisfied with their working conditions, and the country has a right to expect that no further trouble will occur at the collieries while the War lasts. The practical effect of the strike, we are glad to say,

will be very small indeed, as the men returned to work with the firm intention of making good lost time. Indeed, it is not improbable that the memory of the strike and of the impressive and eloquent words of the Minister of Munitions will cause them to work so well that the aggregate production of South Wales in a short time will be much greater than it would have been without the strike. As Mr. Lloyd George said, there can be no question about the patriotism of South Wales.

### HOME RAILWAY DIVIDENDS.

#### GREAT EASTERN RAILWAY.

As we indicated last week, the Great Eastern is among those few lines which stand to lose under the existing arrangement with the Government. Unlike most companies, the Great Eastern had lower net receipts for 1913 than for 1914. Under the Government scheme, therefore, the Company is in the position of having somewhat less revenue with which to pay the extra burden of the War bonus and to provide for any addition to interest charges. The reduction in the rate of dividend from ¾ per cent. to ½ per cent. is thus not a matter of great surprise. To provide the Company's share of the War bonus and extra charges there will be a margin of about £14,000 to be drawn upon in 1915 before the dividend for the December half need be changed from last year's rate. From this it seems probable the final dividend for the current year may show some slight diminution from the 4½ per cent. declared six months ago, and that for the whole of 1915 the dividend may be somewhat less than the 2¾ per cent. paid for the 12 months to June, that is assuming no transfer is made from general reserve fund. The price of Great Eastern stock is 38, at which the return from the 2¾ per cent. dividend is £6 9s. per cent. Dividends for the past 12 years have been as under:—

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	4½	4½	3½	4½	4½	4	3½	4	5	5	4½	4½
June half	½	½	½	1½	2½	1½	1	1	1½	1½	1½	1½
Year...	2½	2½	2½	2½	3½	2½	2½	2½	3½	3½	3½	3½

#### METROPOLITAN RAILWAY.

THE dividend at the rate of 1 per cent. declared for the past half-year compares with 1½ per cent. a year ago, and, with the 1 per cent. paid six months ago, makes a distribution of 1 per cent. for the past year. In view of present conditions no data are available regarding the past half-year's operations apart from the bare dividend announcement, but the reduced dividend indicates that profits are below the level of those for the June half of 1914. It is impossible to gauge even the approximate amount of the net receipts for this year, for although the Company announces that it is receiving only the same net receipts as in 1913, when they were about £25,000 less than for 1914, some allowance has doubtless been made for the net receipts of the Great Northern and City Railway, taken over by the Metropolitan as from July 1913. If the net receipts for 1915 are to be the same as those

### THE NATIONAL MUTUAL Life Assurance Society

(OF LONDON)

Founded 1830.

£3,139,517

#### BONUS RESULTS.

	1903	1908	1913
Surplus .....	£160,974	£281,911	£341,098
Bonus on Current Series .....	28/- Compound.	30/- Compound.	36/- Compound.
Carried forward...	£2,042	£78,544	£102,164

**NOTE.**—Policies which become claims before the next distribution of bonus will receive an interim bonus at the full rate last declared.

Write for Prospectus to

GEOFFREY MARKS, F.I.A., Actuary and Manager,  
39 KING ST., CHEAPSIDE, LONDON, E.C.



the slip issued something like the following were adopted:

"Cable received July 11, dated July 11, crushing for June," &c.

### SHAMVA.

AFTER a long period of exploratory work, succeeded by development, and later by plant erection, production was commenced by this Rhodesian basket proposition on January 23, 1914. In March 1915 the Company announced a first interim dividend of 5 per cent., in June a second distribution of  $7\frac{1}{2}$  per cent., and the report issued this week makes mention that the directors intend to make quarterly distributions. The two interim dividends declared are in respect of 1915.

The financial position at December 30 last being none too strong, to understand the position it is necessary to have the balance-sheet items, and these are condensed in the statement given below:—

Capital issued ... ..	£ 600,000
Reserve ... ..	129,138
At Dec. 31, 1913 ... ..	£175,000
Less depreciation written off machinery, plant, &c. ... ..	45,862
Creditors ... ..	21,267
Mine development suspense ... ..	10,534
Unappropriated profit, 1914 ... ..	85,931
	846,870
Property account... ..	251,278
Mine development account ... ..	68,989
Machinery, plant, buildings, &c. ... ..	412,757
At Dec. 31, 1913 ... ..	£458,619
Less 10% depreciation written off and charged to Reserve—£175,000 derived from premiums on share issues. ... ..	45,862
Ore ... ..	8,748
Stores and materials ... ..	32,945
Investments at cost ... ..	25,360
Gold in transit ... ..	30,936
Debtors and payments in advance ... ..	13,287
Cash ... ..	3,640
	846,870

The results of 1914 operations were as follows:—

#### Results for Year to December 31, 1914.

Mine profit ... ..	£ 9,175
Sundry revenue ... ..	1,668
	91,843
London expenditure ... ..	£2,212
Tax provision... ..	3,700
Depreciation ... ..	*
	5,912
	85,931

\* £45,862 applied to depreciation—10% of cost of equipment, buildings, &c.—charged against the £175,000 derived from premiums on share issues.

Supplemental to the results secured for 1914 we give below the results secured for the first six months of this year:—

	Tons	Value	Per	Ex-	Per	Profit	Per	Price of
	Crushed	£	Ton	penses*	Ton	£	Ton	Share
1914. Feb. ...	18,478	5,461	—	—	—	—	—	—
Mar. ...	31,859	14,235	—	—	—	—	—	2s 7d
June q.r. 1st 25	78,248	11/10	51,236	7/10	27,012	4/0	2s 7d	—
Sept. q.r. 120,132	87,451	15/10	52,709	8 4	34,741	5 6	—	—
Dec. q.r. 140,721	87,665	12 5	52,472	7/5	35,196	4/0	—	—
Say 11 mos. 449,315	271,606	12 1	181,431	8 1	90,175	4/0	—	—
1915. Mar. q.r. 135,821(a)	95,701	14 1	56,595	8 4	39,106	5 9	1 7d	—
Apr. ... 49,145	38,541	15 6	19,585	7/10	18,956	7 8	1 7d	—
May ... 49,151	38,956	15/10	19,472	7/11	19,484	7/11	1 7d	—
June ... 49,905	39,077	15 8	20,351	8 2	18,725	7 6	1 7d	—
June q.r. 148,201	110,574	15 9	59,408	8 0	57,166	7 9	1 7d	—

\* Inclusive of royalty, average about 3.6d. per ton crushed.

(a) Decreased tonnage due to heavy rains early part of year.

Dividends—1915, March, 5; June,  $7\frac{1}{2}$  per cent.

The profits secured in the current year are naturally appreciably larger than the average of the profits for the broken period of 1914. After approximately eighteen months of milling, the plant has now got into full swing, and is described as being of the most up-to-date and efficient pattern. When on the formation of the Company the Consulting Engineer put forward an estimate of probable ability to work at a cost of 8s. 6d. per ton, it was much questioned; but the ability to work at so low a cost in Rhodesia is due to the hill situation of the mine. There is no hoisting of

ore, it being delivered to the mill by adits. It may be of interest to set out that the power plant is steam, generated by the use of Wankie coal, and then electricity is generated and supplied for mine and plant requirements. The treatment plant comprises 56 Nissen 2,000-lb. stamps and nine tube mills, with accessory cyanide, &c., plant. The equipment was designed to have a capacity of 50,000 tons a month, and it will be noted that approximately this tonnage monthly is attained. All things considered, the profit results secured have come as an agreeable surprise to the majority of the shareholders, and there are possibilities, the ore so far dealt with having been much lower than the average of the ore reserves, that profits per ton may still further improve.

The directors' report makes reference to the hope that "the present rate of dividend will be maintained, and eventually improved." "The present rate," we take it, means  $7\frac{1}{2}$  per cent. quarterly, or 30 per cent. per annum. The gross profit of the mine for the six months to June 30, 1915, was a little over £96,000. and a 30 per cent. rate of dividend calls for £180,000 a year. Unless, therefore, better results are attained it would be unwise on the part of shareholders to look for any early increase in dividend; indeed we consider it would be unwise to distribute up to the hilt.

The new discoveries made through additional development work done in 1914 were not of exhilarating character. The length of the pay chute below the 2nd level has shown appreciable diminution as depth is attained. The winze and cross-cutting work below the 4th level is referred to in the report as having shown disappointing features, described by the Consulting Engineer as "low unpayable values," and by the Assistant Engineer as "somewhat poor developments." The variations in the pay chute are shown below:—

Level	Length Ft.	Width Ft.	Value s. d.
Prospect ... ..	740	88	16 2
1st ... ..	920	110	17 7
2nd ... ..	820	97	28 8
3rd ... ..	510	29	23 7
4th (incomplete) ... ..	310	45	21 5

In the Consulting Engineer's report dated June 7, 1915, it is stated that the cross-cuts put out this year while to the north showing no payable values, to the south at 40 feet encountered pay ore over a width of 15 feet—from 40 to 55 feet. Some of this width showed exceptionally good ore.

The detail of ore reserves at December 31, 1913, was as follows:—

Level	Tons	Assay Value s. d.
Prospect ... ..	296,659	15 10
1st ... ..	739,553	15 8
2nd ... ..	787,507	24 5
3rd ... ..	441,520	27 4
4th ... ..	160,068	23 6
Total and average ... ..	2,422,727	21 3

Consequent on the use of 449,315 tons, averaging an assay value of 15s. 8d., used in 1914, the reserves at December 31, 1914, were reduced to 2,044,612 tons of an average assay value of 22s. 3d.

It is to be hoped that as work is done in depth better results will be disclosed than those reported recently, because, although the reserves amount to over two million tons, the capacity of the mill being 600,000 tons per annum means that the reserves equal but about three years' supply.

**Brakpan.**—Reef of considerably improved value was opened up in both the March and June quarters, as will be seen from the following:—

	Total Footage Sampled	Payable Footage on Reef	Per- centage of Total	Payable Showings— Average Width Inches	Average Value s. d.
1912 ... ..	12,619	7,895	63	39.5	50 2
1913 ... ..	15,793	6,951	44	36.8	47 7
1914 ... ..	17,515	6,945	40	41.5	55 8
1915. March q.r. ...	4,260	2,135	50	38	76 0
June q.r. ...	4,685	2,690	57	34.2	102 5

## SPRINGS MINES.

POINTS to be noted in connection with the quarterly development statements include the admitted policy, referred to at the meeting held on May 25, of restriction of developments to localities which promise most readily and assuredly to afford a basis for further financial support, and this policy apparently is to be continued pending the completion of the plant, which is expected to be effected by the last quarter of 1916. The showings since start of developments have been erratic, the poorest being for the first quarter of 1914. Subsequently there was a marked improvement. In the December quarter of 1914 the sampled ore exposed averaged an assay value equal to 3,755 shillings per inch of lode. In the March quarter this diminished to 2,426 shillings, and for the June quarter still further to 1,694. In the March quarter the proportion of payable to the total ore sampled was returned as 75 per cent.; in the June quarter it is reported as 58 per cent. Of the developments affected, from the start early in 1913 to the middle of 1915, the average proportion of payable to the total ore sampled is reported as 57½ per cent., representing approximately 98 shillings over a width of 27.3 inches, or, say, 2,670 shillings per inch. At December 31, 1914, the payable ore brought into sight was returned as 553,000 tons, of an average assay value of 43s. 9d. over 52 inches stoping width. By June 30, 1915, the quantity and value had increased to 854,000 tons, and 45s. over a stoping width increased to 53½ inches. The variations quarterly of total developments are given in the following tabular showing since the start of development:—

	Total Footage on Reef	Footage Sampled	Width Inches	Assay Value	Shilling- Inches
1913.					
First development ...	1,031	—	445	35/27	51 0
Sept. qr. ...	1,760	199	880	31/71	34/4
Dec. qr. ...	3,012	425	1,375	32/51	52/3
1914.					
March qr. ...	4,167	2,073	2,510	14/5	57/4
June qr. ...	4,261	2,369	2,776	15/4	90/8
Sept. qr. ...	2,966	1,632	1,680	23/31	76/1
Dec. qr. ...	2,106	1,379	1,390	28/5	131/9
1915.					
Mar. qr. ...	2,424	1,867	1,875	23/6	103/3
June qr. ...	2,533	1,843	1,750	22/8	74/5

## CITY AND SUBURBAN'S LIFE.

EARLY last year we called attention to the modified position of this Company in consequence of its acquisition of 15 claims additional area, and we formulated a forecast of the life of the mine under the new conditions.

In THE STATIST of April 13, 1915, we reverted to the subject and gave an amended estimate of the life, reckoning on conservative lines the quantity of ore remaining to be extracted as somewhat exceeding two million tons, irrespective of any quantity of Main Reef ore—which, however, is still used to a slight extent—and calculated that on the use of 320,000 tons a year the life would be seven years.

Our earlier estimate (which was reproduced in our last edition of "Mines of Africa") was referred to in the *South African Mining Journal* of May 8, 1915, and apparently through our later estimate having been overlooked led to some questions being addressed to the Company.

We are glad to take note that by a cable received at the London office of the Company on July 16 this question of life has been dealt with; the actual wording of the cable being as below:—

Reserve of ore December 31, 1914, estimated at 758,700 tons. Value 8.5 dwt. Expect to recover from known areas and old workings 190,000 tons, value 5.8 dwt. From undeveloped portion, 740,900 tons Leader, value 8.9 dwt., making total of 1,690,000 mining tons, value 8.38 cwt. Allowing for tonnage sorted gives life five years from January 1915, on basis of present tons milled. No allowance made for 2.7 City Deep claims under option, which will undoubtedly be exercised. A reduction in costs permitting treatment of more ore from excluded areas. An increase stoping width in undeveloped portion of payable Main or South Reef discovered therein. All will add to life.

Experience indicates that tonnage existing generally greater than estimate, therefore reasonable assumption operations will continue quite seven years, with decreasing tonnage latter portion of period decreases in development footage and tonnage expected inevitably as points of attack decrease in lower levels. Values continue eminently satisfactory.

It is to be noted that in the present official calculation no allowance is made for the 2.7 City Deep claims under option to the City and Suburban Company, the option to take up which will doubtless be exercised and prolong the life.

## SOUTH AFRICAN COPPER TRUST.

A MEETING of the shareholders of this undertaking was held on July 19, 1915, presided with the Chairman, putting an informal motion that the board be requested to call a meeting for the voluntary liquidation of the Company at an early date. This procedure is a repetition of what was mooted about a year ago.

The preparation for interment of a Company that so recently as 1910 effected a voluntary liquidation and reconstruction by writing off 15s. per £1 share recalls the circumstances of the initiation of the enterprise. Under its old title of the Consolidated South African Copper Trust, Limited, it was registered February 17, 1912, with a capital of £600,000, in £1 shares, divided as follows:—

Vendors ...	...	372,000 shares
Working capital ...	...	100,000 " (at par)
Reserve ...	...	128,000 "

The day after the Company was registered at Somerset House a facsimile typewritten document was circulated in the Stock Exchange purporting to give particulars as to the finance and the properties, but, as usual with such documents, information upon vital points was missing. Although it was not specifically stated in the document that they were concerned in the enterprise, much was made of assertions that behind the Company were the De Beers, Consolidated Gold Fields of South Africa and Chartered companies. The document not being a prospectus no detail was given of the consideration payable for the properties acquired, or to whom the consideration money went. Two days after the registration of the Company the shares were "introduced" on the market, and the fierce demand, fanned as it was by eager dealers, led to the price being carried up to as high as 4½ for the £1 shares. On the Saturday following the "introduction" we dealt very fully with the matter, and the whole business was regarded as nothing less than a scandal.

Notwithstanding the absence of confirmation of the high hopes professed in 1902, a similar procedure was adopted in 1907, when the Trust portioned off some of its various scattered copper-bearing areas to a Company called the Edmundian Copper Company, Limited, granting to this Company areas in Mozambique, and, of an authorised capital of £135,000, taking as purchase consideration £100,000, as to £85,000 in shares and £15,000 in cash or shares at the option of the vendor. The last balance sheet of the Edmundian we have in our possession is that at June 30, 1910, wherein it is disclosed that the capital issued comprised 85,000 vendor shares, and seven shares had been subscribed and fully paid. Subsequent to such date 49,993 shares were allotted to the South African Copper Trust, 34,993 being issued in respect of advances from that Company, and 15,000 shares being the balance of the purchase consideration. The public was not in the Edmundian undertaking. The Edmundian properties in 1913 were reabsorbed by the South African Copper Trust.

In August 1907 the Consolidated African Copper Trust offered 50,000 Preference shares for the purpose of financing the Edmundian enterprise. In September 1910 resolutions were adopted for winding up the Consolidated African Copper Trust, Limited, and the Company was resuscitated under its present title of the South African Copper Trust, the capital being

scaled down, for each £1 share a new 5s. share being given, and further capital was raised. At date the issued capital is 1,048,735 shares of 5s. each.

### TANGANYIKA CONCESSIONS.

From the point of view of public interest the main feature of the report of the Tanganyika Concessions is the progress made in the production of copper by the Union Minière du Haut Katanga. For 1911 a shade under a thousand tons was produced, in 1912 close to 2,500 tons, in 1913, 7,400 tons, and for 1914, 10,700 tons. These are approximate figures. For the first six months of 1915 the output was returned as 6,932 tons, and the estimated output for the year is placed at 14,000 tons. It is not improbable that this estimate will be exceeded; for the 30-day month of June three furnaces in blast gave a yield of 1,405 tons, equal to a rate of, say, 17,000 tons a year. The output for 1916, with two further enlarged furnaces falling due to be added to the plant, is put at 25,000 tons.

It may be recalled that the Union Minière in respect of 1914 obtained an output of 7,358 tons, and reported a gross profit of £160,000, which, of course, was subject to administration charges and interest. In the circumstances the Union Minière cannot make any report, furnish any detail, or even hold a meeting. After the outbreak of war part of the staff was transferred to the London office of the Tanganyika Concessions, and the Company has been successful in uninterruptedly continuing its operations in the Congo and effecting sales of copper through arrangements made in London. It is mentioned that the profits now being made are "satisfactory, and at the present price of copper exceed the figure that had been anticipated."

### KYSHTIM CORPORATION.

A CIRCULAR has been issued this week giving a tentative idea of the outcome of working in respect of 1914. The 1914 results, which looked so pleasant for the first half of the year, were marred by the outbreak of war. The total quantity of fine copper obtained for the twelve months was 6,964 tons, or, say, some 236 tons less than was obtained in 1913. The price that ruled during the last six months of 1914 was appreciably lower than the average realised in the first half of the year. The Company, however, was met liberally by the Russian Government in the matter of paying as full a price as possible.

The circular referred to above sets out that after providing the usual liberal amounts for depreciation and reserve, and also the abnormal factor of about £30,000 for loss in exchange, the copper yield profit showed a decrease of some £90,000 compared with 1913, and, in a word, it is estimated that the earnings of the Kyshtim Corporation for the year were only equal to about 3s. per share. The directors intimate they will pay an interim dividend of 1s. per share at the earliest date at which they can effect the necessary financial arrangements, and will make their recommendation as to the final dividend when the report is issued, previous to the general meeting, probably to be held the first week in October.

In respect of prices being obtained in the current year, the figures indicate ability on the part of the Company to dispose of its copper at an appreciably higher price than for the corresponding period of last year. We give details later. The monthly statements that have been issued give indications that the Company has had to resort to the most easily accessible ore as a consequence of the denudation of its labour supply. All things considered, that it has been able to do as well as it has is very satisfactory.

The principal discomfort of the moment is the tremendously adverse conditions of exchange. The normal rate of exchange is 95 roubles for £10, but this week, continuing its previous disturbed condition, it has reached as high as 155 roubles to the £10. Such

a condition of affairs suggests whether it will be wise to pay dividends and obtain so few pounds sterling for so many roubles. Naturally, shareholders desire to receive a dividend, but we should imagine those who have kept close watch upon the affairs of the Company would fully endorse any suggestion on the part of the directors to defer dividend payments until conditions alter, and utilise profits temporarily retained in the country. Placing the figures below on a normal basis, the contrast of this year with last indicates an increase, but if the exchange is allowed for the position altogether changes.

For the first four months of 1915 the value of the copper and precious metal contents, based on 9.5 roubles to the £, was £323,832, or approximately £24,000 more than for the corresponding period of 1914. In part this is due to the higher value per ton of metal. For the four months the average price this year was about £120, against £100 for the corresponding period of 1914. The comparisons are as under:—

First Four Months of Year	Ore Smelted Tons	Refined Copper Tons	Value at 9.5 Roubles per £	Approximate Value per Ton £
1914	129,667	3,000	299,636	100
1915	139,574	2,681	323,832	121

### BURMA CORPORATION.

IN THE STATIST of May 19, in dealing fully with this big base-metal undertaking, and giving cross-section plans showing the great width of the lode, we reckoned that something like 2,000,000 tons of rich base-metal ore was indicated by developments down to about the 430-foot level. This week cabled advice has been received that the lode has been cross-cut at the 540-foot level; and though the metal contents of the ore are lower, the proved existence of a good body of ore at 540 feet depth means a substantial addition to the ore reckoned upon down to the 430-foot level. The way in which the width of the ore body has varied at different depths in the vicinity of the Internal shaft, which is the main development point of the mine, will be seen from the following:—

Width of Ore Body in Vicinity of Internal Shaft.

	Width Ft.	Assay Values			
		Silver Oz.	Lead %	Zinc %	
Cross-cut:	20	12.0	16.1	40.0	
At 102-foot level, 1,497 feet S.	72	9.7	12.3	11.8	
	Total 92	9.9	12.7	14.8	
	56	27.6	29.0	30.0	
At 171-foot level, 1,500 feet S.	57	13.8	22.2	8.5	
	Total 113	20.6	25.6	19.2	
	10	18.0	24.0	4.0	
	45	22.0	23.0	41.0	
At 300-foot level, 1,510 feet S.	15	34.0	32.0	20.0	
	10	10.0	12.0	11.0	
	Total 110	25.5	25.8	26.3	
	15	24.0	23.0	37.0	
	17	50.0	52.0	13.0	
At 430-foot level, 1,510 feet S.	10	Low grade			
	Total 70				
	25	12.0	15.0	14.0	
	15	30.0	30.0	30.0	
	5	3.0	6.0	3.0	
At 540-foot level, 1,510 feet S.	20	5.0	9.0	5.0	
	10	2.0	3.0	3.0	
	Total 70				

Another important piece of news received lately is that at the 300-foot level a cross-cut at 1,260 feet south, or 250 feet north of the cross-cut shown above, has exposed a width of 40 feet of ore body, 30 feet of which is high grade, and 10 feet of the 30 feet direct smelting ore of exceptionally good profit value per ton. The values in this cross-cut are shown below:—

	20	35.0	26.0	22.0
	5	7.0	11.0	3.0
At 300-foot level, 1,260 feet S.	10	30.0	44.0	13.5
	5	4.0	5.0	5.0
	Total 40			

Pending the completion of the large-scale development work now being carried on, and the erection of new treatment plant and equipment for big production in the future, a very fair lead output is being obtained

by the existing small plant and machinery. For the first six months of this year the lead output amounted to 6,507 tons, and for the first 21 days of July 967 tons have been produced, which rate of output is equal to about 15,000 tons of lead per annum. As the present price of lead is very high, it is certain that substantial profits are being made—probably between £100,000 and £150,000 per annum—which will mean a considerable help in the matter of working-capital resources for the provision of the large new treatment, etc., plant and the completion of the big development scheme now well under way.

### ALASKA TREADWELL.

IN THE STATIST of July 10 we dealt fully with the position of this mining Company, concluding that the dividend distribution for the current year would show a considerable decline compared with last year. The accident to the hoisting engine of the central, or main, shaft reported this week, resulting in curtailment of producing operations, will doubtless accentuate the falling-off already shown in the profits of the current year. As regards the reported huge cave-in of the workings in the upper levels, official cabled news is to the effect that it is quite a minor affair. The ore reserves at end of 1914 amounted to 7,159,253 tons, and though 1,920,709 tons of this ore were situated above the 1,250-foot level, it was practically all in the shape of pillars, and, therefore, not available in any case for current use. In fact, in the year 1914, out of over 900,000 tons of ore milled, less than 100,000 tons were obtained from above the 1,250-foot level.

### TALISMAN CONSOLIDATED.

AFTER a number of years of affluence, during which high dividends have been paid, it looks as if the Talisman has now entered upon a comparatively lean period. In the 10 years to February 28, 1915, dividend payments to shareholders aggregated £1,009,970, and in respect of each of the past two financial years the Company paid 35 per cent. on its issued capital of £345,000. The year ended February 28, 1915, from the point of view of earnings, was the best the Company ever experienced, the working profit of the year amounting to £151,313, in comparison with £132,729 in the previous twelve months. This improved result was largely due to increased tonnage milled and substantial reduction in working costs, which offset a fall that occurred in the gold yield per ton of the ore. However, the milling of a record quantity of ore in the past year, combined with other factors interfering with development of the mine, had the effect of seriously reducing the quantity of ore reserves available, and the result is that so far in the current year not only has a much smaller rate of output been witnessed, but working costs have considerably increased, and, in consequence, there has been a fairly heavy fall in profits. This is shown in the following table:—

Year	Ore to Crashed Feb. 28	Gold Extrac- tion %	Revenue Per Ton	Working Expenses*			Total*	Working Profit*	
				Exc. Devel.	Devel. Outlay	s. d.		Per Ton	s. d.
1911 ...	45,850	92.5	90 9	29 8	9 11	39 7	117,140	51 2	
1912 ...	47,920	93.6	98 7	29 7	10 0	39 7	141,580	59 0	
1913 ...	42,990	95.1	115 11	33 4	13 8	47 0	148,669	68 11	
1914 ...	41,880	94.58	167 7	36 0	8 8	44 8	132,729	63 6	
1915 ...	50,190	91.3	103 0	31 4	11 5	42 9	151,313	60 3	
1915-16.									
Mar. qr. 11,430	—	—	99 1	—	—	51 10	26,933	47 3	
June ...	3,530	—	102 8	—	—	54 0	8,605	48 8	

\* Before allowance for construction and general expenditure.

After providing for general expenses, gold duty, taxes, &c., the net profit of the year ended February 28, 1915, is shown in the accounts as £120,100. Depreciation written off accounted for £17,270, leaving a balance of £102,830. The dividends paid for the year, aggregating 35 per cent., required £120,750, and to make up this amount the "bullion reserve," to which £24,000 had been added during the year, was

called upon to provide £18,000, and the carry-forward to the current year is thus slightly increased to £21,201. It is satisfactory to note that at February 28 the Company's financial position was a strong one, inasmuch as surplus liquid assets amounted to about £85,000, practically all invested in short-dated gilt-edged securities. On the other hand, the ore developed and in sight at the end of February was very small indeed, and naturally this circumstance, coupled with the fact that developments in depth have not been up to the previous standard, has greatly affected the quotation for the Company's £1 shares, the present price of 21s. comparing with 30s. at the end of February last and 42s. 6d. eighteen months ago. The profits earned and dividends paid in the past five years, and the rapid decline in the ore reserves and in the price of the Company's shares, will be seen from the following:

Year to Feb. 28	Net Profit	Written off Depreciation	Days' Amt. Per Cent.	Carry-Forward	Ore Milled	Ore Reserves	Price of Shs. end of Period
1911...	103,234	2,762	100,447	32 1/2	23,201	45,850	47 6
1912...	124,740	11,208	119,898	35	23,835	47,920	47 6
1913...	133,857	11,569	129,375	37 1/2	23,748*	42,980	40 0xd
1914...	108,974	7,850	120,750	35	21,121†	41,680	42/6
1915...	120,100	17,270	120,750	35	21,201‡	50,190	30 0

\* Includes £27,000 transferred from bullion reserve.

† Includes £17,000 transferred from bullion reserve.

‡ Includes £18,000 transferred from bullion reserve.

The future of the Company depends entirely upon the success or failure of the development work now being carried on in depth. So far results do not appear to have been very good, but as in the past the property has been of very patchy though rich character there is no need yet to despair. However, the tonnage milled in the current year has had to be considerably reduced and smaller profits have been earned, with the result that the quarterly dividend paid on June 8 was only 1s. per share, in contrast with 1s. 9d. last year.

### ROPP TIN.

THIS Company for the year 1913 returned a profit of £24,028, derived from a yield of 350 tons of concentrates. For the year to December 31, 1914, the profit in respect of the yield of 370 tons was given as £9,351. In March 1914 a dividend of 50 per cent., calling for £15,000, was announced, and the directors now propose a dividend of 1s. per share on the new form of 4s. shares, such dividend being free of income tax, which on the enlarged capital in issue will require £11,250. It is estimated that the areas the Company possess contain 1,200,000 cubic yards of ground averaging 4 lb. per cubic yard, or, say, 2,142 tons of concentrates. The report just issued refers to the ordering of two dredges and accessory power, &c., plant. The output of concentrates for the five months to the end of May this year has been 145 tons.

### Rezende.—Capital issued, £118,435, in £1 shares.

Year ends	Tons Milled	Revenue Per Ton	Expenses Per Ton	Profit Per Ton
Dec. 31	Stamps			
1913*	161,249	145,977	18/1	15,809
1914	176,400	120,425	13/8	86,641
1915.				
Mar. qr. (a)	26,000	29,098	22/4	22,093
Apr.	9,200	10,102	21/11	8,079
May	10,500	10,119	19/3	7,602
June	11,400	8,706	15/3	7,493

\* 1913 and 1914 results include Penhalonga and Tribute sections, both of very low grade ore.

(a) "Operations were interfered with by heavy rains; conditions are now normal."

Dividends—1912, 7½ per cent. 1913, 15 per cent.

1914, May, 7½; Sept., 6½ per cent. 1915, May, 6½ per cent.

### TRONOH SOUTH, LIMITED.—Capital £100,000, in £1 shares.

Year	Tin Yield	Value	Per Ton	Work- ing Costs	Per Ton	Work- ing Profit	Per Ton
Ground Treated	Ore Prod.	per Ton	Rea- lised	of Tin Ore	of Tin Ore	of Tin Ore	of Tin Ore
Yds.	Tons	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1914...	172,100	440 5 4	40,625	92 6 4	27,696	62 18 6	12,929
1915.							
Mar. qr. ...	114	—	11,260	98 15 5	4,600	40 7 0	6,660
Apr. ...	9	—	500	100 0 0	1,500	—	600
May ...	18	—	1,700	94 8 10	1,800	—	100
June ...	25	—	2,500	100 0 0	1,600	64 0 0	900

Dividends—1914, 5 per cent.; 1915, June, 2½ per cent.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, July 21, 1915.

Issue Department.		
Notes Issued.....	£76,909,540	Government Debt ..... £11,015,100
		Other Securities ..... 7,434,900
		Gold Coin and Bullion ..... 58,459,540
	£79,909,540	
Banking Department.		
Proprietors' Capital.....	£14,553,000	Government Securities ... £53,157,910
Reserve .....	3,381,176	Other Securities ..... 184,567,210
Public Deposits.....	109,228,335	Notes ..... 43,135,230
Other Deposits .....	134,620,428	Gold and Silver Coin ..... 966,686
Seven-day and other Bills	46,097	
	£281,827,036	£261,827,036

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Both Depts.	Deposits Public Other	Securities Govt. Other	Reserve	Ratio Reserve to Liabilities.	Bank Rate	Three Months' Bills
1914.								
July 29	£2.7	£38.1	£12.7	£54.4	£11.0	£7.3	£2.8	40.03
1915.								
June 16	32.9	56.5	113.0	101.7	51.0	139.5	42.0	19.56
— 23	33.1	54.1	99.6	109.8	51.0	138.4	39.5	18.87
— 30	34.6	52.1	81.5	140.6	51.0	152.9	35.9	18.16
July 7	35.1	53.3	67.9	139.8	51.0	137.9	36.6	17.63
— 14	34.5	53.1	52.9	168.0	51.7	140.0	37.1	17.58
— 21	33.8	59.4	109.2	134.6	53.1	164.6	44.1	18.08

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 8, 6%; Aug. 8, 5%

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.					
Total to June 23 ..	119,367,554	73,470,514	45,897,040	28,500,000	62.1
Week to " 30 ..	2,403,224	1,723,463	46,576,801	28,500,000	61.2
" July 7 ..	2,774,292	1,291,945	48,059,143	28,500,000	59.3
" 14 ..	2,855,087	1,615,764	49,298,471	28,500,000	57.8
" 21 ..	2,148,872	5,061,079	46,386,264	28,500,000	61.4

## II.—Balance Sheet, July 21, 1915.

	£	Advances	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound ..	35,348,722	Other Bankers ..	3,204,000
Ten Shilling ..	11,037,543	Currency Note Redemption A/c—	
Investments Reserve A/c	303,236	Gold Coin and Bullion ..	28,500,000
		Government Securities ..	9,585,828
		Balance at Bank of England ..	5,399,673
Total ..	46,689,501	Total ..	46,689,501

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Receipts.	Withdrawals.
1915.		
July 15, Thursday ...	677,000 bars.	Nil.
" 16, Friday ...	Nil.	Nil.
" 17, Saturday ...	100,000 sovs.*	100,000 bars.
" 19, Monday ...	1,000,000 sovs.†	Nil.
" 20, Tuesday ...	94,000 sovs.†	Nil.
" 20, Tuesday ...	25,000 sovs.*	Nil.
" 21, Wednesday ...	100,000 sovs.*	100,000 bars.
	826,000 bars.	
Total for week ...	2,822,000	200,000
Balance ...	[2,622,000 In for week.]	
July 22, Thursday ...	Nil.	Nil.
" 23, Friday ...	65,000 sovs. Egypt.	Nil.

\* Released on Miscellaneous Account. † Released on a/c of Indian Paper Currency Reserve. ‡ Released on a/c of Straits Settlements Note Guarantee Fund.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (In £'s sterling, 00,000's omitted):					
Circulation .....	£30.0	£29.3	£29.4	£29.3	£33.8
Public Deposits.....	10.8	18.4	11.5	13.7	109.2
Other Deposits.....	44.3	41.7	40.0	42.2	134.6
Government Securities.....	16.8	13.9	12.7	11.0	53.1
Other Securities.....	29.6	33.9	29.1	33.6	164.6
Reserve .....	26.7	30.3	27.7	29.3	44.1
Ratio to Liabilities .....	48.7%	50.40%	53.69%	52.40%	18.08%
Bullion (both Departments) ...	38.3	41.1	38.7	40.2	59.4
Money:—					
Bank of England Rate.....	2½%	3½	4½%	3%	5%
Bank of France Rate .....	3%	3½	4½	3½%	5%
Rate 3 months' Bills London ...	1½%	3½%	4%	2½-½%	5%
Exchanges					
Paris Obeque.....	25 14	25 25½	25 24½	26 17½	26 90
Hamburg 8 days .....	20 45½	20 48½	20 45	20 52	—
New York 60 days .....	4 84½	4 84-95	4 83-35	4 85-75	4 72
Bombay Telegraphic Transfers	1/4-½	1/4	1/3-½	1/3-½	1/3-½
Prices:—					
Consols 2½% Cash .....	90	74½	72	75	65
French Rente 3% Money .....	99 40	92 10	84 75	81 30	69
Silver, London spot.....	-127½	-127½	-127½	-124½	-122½
Wheat, Gazette average .....	32½	38/10	33½	34 1	52½
Oatmeal, Mid Upland .....	15-99	17-32	16-64	17-35	15-19
Iron, Scotch pig .....	49/4½	63/10	64/0	57/4½	73/0

## ARGENTINA.—Gold in Caja de Conversion.

	June 23, 1915	June 16, 1915	Dec. 31, 1914	Dec. 31, 1913	July 18, 1913 (maximum)
Pesos	228,752,873	228,749,662	221,703,321	233,629,114	266,831,800

## BRAZIL.—Gold in Caixa de Conversao.

	June 19, 1915	June 12, 1915	Dec. 31, 1914	Dec. 31, 1913	Feb. 12, 1913
Reals	£5,972,149	£6,248,385	9,230,525	18,400,501	26,772,500

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914 ...	—	—	£4,352	£8,197	£788	£8,693	£47
May 31, 1915 ...	£5,947	£320	6,267	5,322	2,294	11,568	555
June 30, 1915 ...	5,950	318	6,268	5,672	2,187	11,944	710
June 30, 1914 ...	—	—	4,565	5,303	1,102	8,879	284
June 30, 1913 ...	—	—	4,350	5,163	1,180	8,638	217

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circula-tion.	Public Deposits.	Private Deposits.
July 30, 1914... ..	£165,654	£25,013	£190,667	£97,768	£287,327	£15,302	£37,930
July 15, 1915... ..	159,459	14,701	174,160	10,715	497,938	3,866	95,810
July 22, 1915... ..	182,052	14,688	176,738	10,499	500,511	7,719	95,018
July 23, 1914... ..	164,178	25,581	189,760	61,643	236,478	16,024	37,719
July 24, 1913... ..	134,055	25,054	159,109	63,127	218,083	14,510	27,850

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circula-tion.	Deposits.
July 23, '14... ..	£87,843	£16,727	£104,570	£5,279	£40,055	£94,545	£47,198
July 7, '15... ..	118,548	2,244	121,790	10,282	244,751	280,151	88,878
July 15, '15... ..	119,622	2,379	122,001	16,613	233,391	270,812	88,820
July 15, '14... ..	87,204	16,238	103,442	4,609	43,368	99,728	44,752
July 15, '13... ..	56,947	14,195	71,142	3,000	57,971	96,863	34,816

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	De-posits.
Aug. 1, 1914 ...	£13,496	£249	£13,745	£13,422	£10,332	£35,660	£1,437
July 3, 1915 ...	30,023	148	30,169	6,207	9,354	41,943	2,959
July 10, 1915 ...	30,553	150	30,708	6,157	8,930	42,030	3,095
July 11, 1914 ...	13,344	654	13,998	7,970	5,463	26,751	473
July 12, 1913 ...	12,108	641	12,747	7,872	6,982	26,647	784

ITALY.	Gold.	Cash-Silver.	Total.	Other Cash.*	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14 ...	—	—	£48,456	—	£25,017	£69,004	£8,887
June 10, '15 ...	£45,622	£4,905	£50,427	£4,801	£55,228	£115,363	£1,538
June 20, '15 ...	45,684	4,787	50,471	4,581	43,024	115,001	32,680
June 20, '14 ...	—	—	48,600	—	19,418	62,876	8,610
June 20, '13 ...	—	—	50,118	—	19,140	61,733	8,384

\* Including foreign gold bills, State notes, and small change.

N. YORK BANKS & TRUSTS	Own Vaults.	Reserve In Depositories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
Aug. 1, '14 ...	—	—	£89,888	£411,238	£387,165	£8,318	1,720
July 10, '15 ...	£81,768	£32,296	£114,062	£509,632	£535,972	£7,580	30,814
July 17, '15 ...	86,640	32,562	119,202	510,010	528,804	7,592	32,443
July 18, '14 ...	—	—	91,118	414,012	390,291	8,380	3,149
July 19, '13 ...	—	—	85,290	388,219	358,298	8,336	4,018

NORWAY.	Gold.	Balance Abroad.	Fr'gn Gov. Securities.	Discounts & Loans.	Circula- tion.	Deposits.
July 31, 1914...	£2,960	£1,678	£493	£4,868	£6,752	£793
June 30, 1915...	3,531	3,211	638	4,327	8,032	1,137
July 7, 1915...	3,598	3,216	637	4,348	8,115	1,114
July 7, 1914...	3,018	1,617	503	4,603	6,822	537
July 7, 1913...	2,593	1,478	503	4,341	6,266	343

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circula-tion.	Total Deposits.
July 21, '14... ..	£174,509	£7,393	£181,892	£6,589	£76,081	£163,411	£109,911
June 29, '15... ..	188,578	5,550	174,138	8,743	274,615	358,257	145,655
July 6, '15... ..	188,511	5,484	173,975	7,448	271,978	369,551	141,139
July 6, '14... ..	173,999	7,238	181,235	5,313	74,434	184,687	107,422
July 6, '13... ..	160,396	7,609	168,005	5,338	84,438	147,161	110,396

SPAIN.	Gold.	Cash-Silver.	Total.	Loans & Dis-counts.	Spanish 4%.	Circula-tion.	Deposits, &c.
Aug. 1, '14... ..	£21,804	£29,187	£50,991	£40,572	£13,773	£77,557	£18,955
July 10, '15... ..	27,832	29,563	57,395	42,000	13,777	80,375	87,926
July 17, '15... ..	27,869	29,644	57,513	41,924	13,777	79,846	27,168
July 18, '14... ..	21,879	29,140	50,819	40,292	13,778	76,774	19,301
July 19, '13... ..	18,358	29,893	48,241	39,696	13,778	75,214	17,068

SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Discounts & Loans.	Circulation.	Deposits.
Aug. 1, '14 ...	\$5,717	\$6,150	\$1,555	\$7,495	\$13,432	\$3,903
July 3, '15 ...	8,300	4,525	2,732	7,918	15,920	4,180
July 10, '15 ...	6,297	4,496	2,703	7,706	15,341	4,614
July 11, '14 ...	5,878	6,328	1,556	5,671	12,142	3,670
July 12, '13 ...	5,702	4,019	1,067	7,568	11,437	3,002

SWITZER- LAND.	Gold.	Cash-Silver.	Total.	Dis-counts & Advances.	Circula-tion.	De-posits.
July 31, 1914... ..	£7,675	£238	£7,913	£10,391	£16,371	£3,128
July 7, 1915... ..	9,601	2,183	11,784	7,117	18,399	3,317
July 15, 1915... ..	8,558	2,209	11,807	6,998	18,105	3,847
July 15, 1914... ..	7,070	720	7,790	4,901	10,858	1,850
July 15, 1913... ..	6,780	1,117	7,897	4,881	10,756	2,181

U.S. STATES FED. RES. BANKS.	Cash.—		Loans and Discounts.	Reserve Circu- lar Deposits.	Total Re- sources.	Gold Res. against Net Liabilities.
	Gold Coin and Certs.	Total.				
June 18, 1915...	\$49,304	\$69,087	\$7,118	\$59,872	\$2,420	\$74,068
June 25, 1915...	51,037	60,607	7,275	62,270	2,523	76,291
July 2, 1915...	52,637	57,428	7,237	59,576	2,559	73,296

## III.—PUBLIC INCOME AND EXPENDITURE.

(000's omitted.)

1915. Period	Receipts—		Expenditure—		Treasury		Treasury	
	Revenue	Loans	Surplus	Deficit	Balance	Am't.	for Period	Out-stand- ing
7 days to June 19	4,747	15,444	32,140	1,593	33,733	87,880	-18,289	247,706
11 " June 30	3,914	27,457	26,381	21,262	47,643	67,694	-20,186	250,559
10 " July 10	6,625	8,839	35,770	4,389	40,509	36,024	-31,670	251,813
7 " July 17	4,896	33,647	21,976	3,512	25,488	44,183	+ 8,159	249,497
109 days to								
July 17, 1915	62,818	329,518	306,362	62,424	368,786	44,183	-39,268	+172,347
110 days to								
July 18, 1914	50,268	63,718	46,326	12,840	59,165	4,987	+ 2,087	—

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

LONDON ON—	July 22, '15	July 15, '15	July 8, '15	July 1, '15
Holland .....	12 3/4	12 3/4	12 3/4	12 3/4
— Cable .....	11 87 1/2	11 92	11 90 1/2	11 94 1/2
Italy .....	29 72 1/2	28 65	28 60	28 85
— Cable .....	29 62 1/2	29 25	28 20	28 45
Lisbon & Oporto .....	36 1/2	36 1/2	36 1/2	36 1/2
New York .....	4 77 1/2	4 77 1/2	4 77 1/2	4 77 1/2
— Cheques .....	4 77 1/2	4 78 1/2	4 78 1/2	4 78
Paris .....	27 25	27 07	27 45	27 57 1/2
— Cable .....	26 82 1/2	26 67 1/2	27 05	27 20
Petrograd .....	142 1/2	137 1/2	131	129
Scandinavia .....	18 55	18 70	18 16 1/2	18 25
Spain (Bank places) 3 mos. .....	46 1/2	46 1/2	45 1/2	44 1/2
— Cable .....	25 12 1/2	25 05	25 57 1/2	26 00
Switzerland .....	25 55	25 05	25 57 1/2	25 30
— Cable .....	25 66	25 65	25 77 1/2	25 90

## Foreign Rates of Exchange on London, &amp;c.

	July 23, '15	July 16, '15	July 9, '15	July 2, '15
Alexandria .....	97 1/2 p.	97 1/2 p.	97 1/2 p.	97 1/2 p.
Amsterdam .....	11d. 87 1/2 c.	11d. 83 c.	11d. 90 c.	11d. 93 1/2 c.
Bombay .....	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.
Buenos Ayres .....	48 3/4 d.	48 3/4 d.	48 3/4 d.	48 3/4 d.
Calcutta .....	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.
Christiana .....	18kr. 55	18kr. 55	18kr. 20	18kr. 17 1/2
Copenhagen .....	18kr. 55	18kr. 55	18kr. 20	18kr. 17 1/2
Hong Kong .....	1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.
Italy .....	29 70 c.	29 70 c.	29 70 c.	29 70 c.
Lisbon .....	36 1/2	36 1/2	36 1/2	36 1/2
Madrid .....	25p. 10	25p. 05	25p. 55	25p. 65
Montevideo .....	52 3/4 d.	52 3/4 d.	52 3/4 d.	52 3/4 d.
Montreal .....	84 80	84 81	84 81	84 81 1/2
New York .....	84 76 1/2	84 76 1/2	84 76 1/2	84 76 1/2
— 60 days .....	84 72 1/2	84 72 1/2	84 73	84 72 1/2
— Cables .....	84 77 1/2	84 77 1/2	84 77 1/2	84 77 1/2
— on Paris .....	5 64 1/2	5 56 1/2	5 64 1/2	5 65 1/2
— on Berlin .....	81 1/2 c.	81 1/2 c.	81 1/2 c.	81 1/2 c.
— on Vienna .....	15 20 c.	15 10 c.	15 12 c.	15 12 c.
— on Amsterdam .....	40 c.	40 c.	39 c.	39 c.
— on Mexico .....	36c. U.S.	36c. U.S.	36c. U.S.	37c. U.S.
Paris .....	26 50 c.	26 60 c.	26 87 1/2 c.	26 82 1/2 c.
Petrograd .....	143 1/2	138	131 1/2	127 1/2
Rio de Janeiro .....	13 1/2	13 1/2	12 3/4	12 1/2
Shanghai .....	2s. 2 1/2 d.	2s. 2 1/2 d.	2s. 2 1/2 d.	2s. 3 1/2 d.
Stockholm .....	18kr. 55	18kr. 55	18kr. 20	18kr. 17 1/2
Switzerland .....	25 62 1/2 c.	25 65 c.	25 80 c.	25 75 c.
Valparaiso .....	8 1/2 d.	8 1/2 d.	7 1/2 d.	7 1/2 d.
Bar Gold, standard, per oz. .....	77s. 9 1/2	77s. 9 1/2	77s. 9 1/2	77s. 9 1/2
Bar Silver (925) per oz. .....	22 1/2	22 1/2	22 1/2	22 1/2

\* Previous day's rates. † Foreign exchanges current in New York, according to cable advices from Irving National Bank of that city.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*
	1915.	£		£	%
BIRMINGHAM .....	July 17	2,029,390 +	547,205	46,283,702	+ 568,582 + 1.2
BRISTOL .....	" 17	891,000 +	116,000	12,128,000	+ 452,000 + 2.0
DUBLIN .....	" 17	4,359,700 +	1,098,800	104,773,500	+ 8,110,200 + 8.3
LEEDS .....	" 17	669,535 +	187,042	18,151,017	+ 3,088,799 + 20.5
LIVERPOOL .....	" 17	5,262,212 +	207,758	11,475,621	+ 2,382,947 + 26.2
MANCHESTER .....	" 17	7,726,789 +	3,242,316	152,589,700	+ 13,256,833 + 9.5
NEWCASTLE .....	" 17	7,603,995 +	1,884,201	188,179,498	+ 18,005,667 + 8.7
NOTTINGHAM .....	" 17	1,441,000 +	477,000	40,091,300	+ 5,553,200 + 16.0
SHREFFIELD .....	" 17	3,778,366 +	3,873	10,078,611	+ 1,053,695 + 9.4
BRISTOL .....	" 17	495,572 +	98,788	16,791,147	+ 1,458,713 + 9.5
LONDON—	1915.	(000's omitted from the London clearings.)			
TOWN .....	July 21	333,100 +	82,124	5,847,317	+ 2,644,925 + 31.1
METROPOLITAN .....	" 21	24,753 +	6,492	530,031	+ 22,708 + 4.4
COUNTRY .....	" 21	36,454 +	9,994	858,255	+ 64,803 + 8.2
TOTAL .....	" 21	394,307 +	98,600	7,235,603	+ 2,557,414 + 26.1

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH" OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1915	1915	1915
June 11	38,303	34,710
June 25	45,083	39,054
July 14	64,805	44,030
1915 Agg.	531,380	690,228
1914	327,760	187,808
1915	316,167	101,042

\* Compared with a year ago.

## VI.—FREIGHTS.

According to Messrs. Farrar, Groves and Company, the following are the quotations for representative steam freights:—

HOMEWARDS.	1915.	1914.	Homewards—continued.	1915.	1914.
Alexandria to London/Hull .....	—	—	U.S. At. Ports to Cont. (grain) .....	24/0	21/0
Australia to U.K. or Cont. .....	75/0	17/0	N.O. to L.H. (cotton) .....	9/3	2/0
Assof to L.H.A.R. .....	—	9/0	N.O. to U.K. (grain) .....	9/9	—
Bombay to p.p. .....	52/6 1/2	14/0			
Burma o.c. .....	—	—			
Calcutta to p.p. .....	—	—			
Danube to A.R. .....	—	—			
Odessa to L.H.A.R. .....	—	—			
River Plate to U.K. Cont. .....	62/6	11/4	1915 .....	24/0	21/0
U.S. At. Ports to L.H. (cot.) .....	—	30/9	1914 .....	10/3	7/0

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Price and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

JULY 24.		1915.	1914.	1913.
METALS, MINERALS, &c.				
Iron—Scotch pig warrants	ton	73/0	57 1/4	64 0
— Middlebrook warrants	ton	67/0	51/31	55 2
— Hematite warrants	ton	85/0	81/0	72 3
— Staffordshire bars, London	ton	12/2	12/0	11/0
— Common bars	ton	12/2	12/0	11/0
— Stock, Middlebrook	ton	144.117	80.739	197.047
Steel Rails	ton	29 2/6	25 1/2	28 1/2
Copper—Standard	ton	274 12 1/2	259 11/3	265 17 8
— Stock, Europe & Ind. June 30 tons	tons	38.041	26.870	28.142
Tin—English ingots	ton	2164	2145	2148
— Straits	ton	2164	2143	2185 10
Tinplate—Coke I.O.	box	18/101	19/0	12/11
Lead—Soft Foreign	ton	2247 8 1/2	2247 12/8	219
Spelter—Ord. Foreign	ton	2102	2100	220 15
Quicksilver—(75lb.)	bottle	218	218	218
Aluminium	ton	2150	2160	228
Antimony—Regulus	ton	2120	2130	228
Coal—Steam (best) Cardiff	ton	nom.	22 0	21 0
— (best) Newcastle	ton	22 0	15 6	15 6
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical cwt.	cwt.	13/6	10/4	11 0
Soda—Crystals ex ship	ton	2 2/8	2 5/8	2 2/8
Cochineal—Teneriffe Silver	lb.	2/1	1/10	2/1
Copra—Malay & Straits	ton	222 12 6	223 17/8	230
Gambier—Good marks	cwt.	31/3	18 10 1/2	17 3/4
Indigo—Bengal good to fine	lb.	12/6	15/0	3/0
Linseed Oil—Spot, barrels	ton	228 15	225 12/8	225 15
Linseed—Calcutta, spot	410lb.	65 3	62 3	46 0
Olive Oil—Spanish	ton	253	254	249
Palm Oil—Lagos	ton	231	231	236
Petroleum—American	gallon	7/8	7/7	7/8
Rape Oil—Refined English	ton	238	240	232
Soya Oil	ton	223	224 5	225 12 6
Tallow—Aust. mixed	cwt.	34 9	28 9	34 4
Turpentine—Amer. Spirit	cwt.	35 8	33 10 1/2	28 11
Rape Seed—Toria	416lb.	50 6	50 0	47 6
Rubber—Para, spot	lb.	2 8	2 11	3 8
— Fine plantation	lb.	2 5 1/2	2 6	2 9
— World's Visup. (all kinds) Feb. ton	tons	25.005	22.202	17.583
Shellac—T. N. Orange, fair	cwt.	57/0	63/0	92/0
TEXTILES.				
Cotton—Midling Upland	lb.	75/19	77/35	76/64
— Egyptian good fair	lb.	76/95	78/85	79/25
— Pernambuco, fair	lb.	75/87 1/2	77/63	78/76
— Mid. Upl. New York	lb.	9 15 c.	13 25 c.	12 15 c.
— Stock, Liverpool, July 16 bales	bales	1,826,260	882,410	834,780
Flax—Petrograd, Yarpol	ton	257	235	232 10
Hemp—N. Zealand, good, fr. q. ton	ton	232	226	229
— Manila, fair strips	ton	236	228	236
Jute—First Marks, spot	ton	223 15	227 15	229
— Red SOO	ton	221 15	225 15	226 5
Silk—Blue Elephant	lb.	8 8	11/6	11/9
Wool—Pt. Philip unwashed av. lb.	lb.	1/0	1/1	1/1
— Lincoln Fair Hoes	lb.	1/6 1/2	1/11	1/10
Hides—English Ox, 90lb. & over lb.	lb.	1/11	1/10	1/8
Leather—Dressing Hides	lb.	2/1	2/7	1/4
VEG. FOOD, CORN, &c.				
Wheat—Visup. U.S. July 19bus.	bus.	5,809,000	18,778,000	30,827,000
— Red, price, N.Y. 60lb. bushel	bushel	144 1/2	92 c.	96 1/2
— English, 60lb. aver, 480lb. qr.	qr.	52/7	34 1/2	33 6
Flour—Lond. Whites ex Mill 250lb.	qr.	46 0	29 6	31 6
Barley—Eng. Gaz. aver 400 lb. qr.	qr.	35 8	24 1/2	24 9
Oats—Eng. Gaz. aver 312lb. qr.	qr.	31 6	19 10	20 5
Malze—N.Y. (new bushel) 56lb.	56lb.	89 c.	77 1/2	70 1/2
— Amer. mixed, Liverpool 100lb.	100lb.	8 6	5 7 1/2	4 10 1/2
— La Plata	480lb. qr.	32 1/2	27 6	24 3
Potatoes—Kents	ton	75/0	80/0	75/0
Rice—Imports since Jan. 1	tons	24 3/2	10 7/2	7 8 1/4
— Deliveries do.	tons	17 3/8	7 4/8	9 9/2
— Stock	tons	13 9/10	7 9/10	5 1/8
— Price, Bassee	cwt.	16 6	6 10	7 1/2
Tapioea—Pearl, medium	cwt.	18 6	14 0	17 0
Hay—Best	2,016lb. load	97 6	107 6	82 6
Hops—English	cwt.	25 10	26	25 10
ANIMAL FOOD.				
Beef—Arzen chilled but. prs. 8lb.	8lb.	5/8	6/1	3/3
— Scotch sides	8lb.	6/8	4/8	5/2
— English	8lb.	6/0	4/1	4/3
Mutton—Scotch	8lb.	6/4	6/8	5/4
— English wethers	8lb.	5/8	6/8	4/6
— New Zealand frozen	8lb.	4/7	5/0	2/9
Pork—English	8lb.	5/6	5/10	4/6
Bacon—Irish	cwt.	90/0	97/0	82/0
— Danish	cwt.	90/0	97/0	82/0
Hams—Amer. long cut	cwt.	74/0	80/0	82/0
— short cut	cwt.	63/0	72/0	82/0
Lard—Amer. pails	cwt.	44 6	45 0	59 9
Butter—Danish	cwt.	158/0	160/0	120/0
— Siberian	cwt.	120 0	132 0	90 0
— French	cwt.	118 0	142 0	88 0
— New Zealand	cwt.	—	112 0	114 0
— Australian	cwt.	136 0	142 0	90 0
Cheese—Canadian	cwt.	78/0	82/0	63/0
— New Zealand	cwt.	80/0	82/0	64/0
SUGAR, COFFEE, TEA, &c.				
Sugar—Imports since Jan. 1 tons	tons	339,919	445,268	514,351
— Deliveries do.	tons	490,507	419,545	453,430
— Stock	tons	86,727	140,258	116,793
— Price, Java, 96° Pol.	cwt.	20/0	10/3	10/3
— Mauritius, crystals	cwt.	24/0	26/0	15/0
— Tate's Cubes, No. 1	cwt.	31/0	19/0	18/0
Coffee—Imports since Jan. 1 tons	tons	41 50	37 50	27 81
— Home consumption do.	tons	12 22 1/2	8 920	8 913
— Exports do.	tons	17 22 1/2	16 995	10 421
— Stock	tons	25 063	22 063	18 729
— Price Costa Rica gl. to fine cwt.	cwt.	78/0	85/0	78/0
— Brazil (Santos) spot cwt.	cwt.	37 0	42 11	43 41
Tea—Imports .....	lb.	163,880,780	123,230,277	117,460,581
— Home consumption do.	lb.	186,499,597	155,447,972	149,687,895
— Exports do.	lb.	29,988,213	26,561,785	27,098,250
— Stock, June 30	lb.	79,817,000	77,438,000	77,099,000
— Price, Indian, Pek. Song, good lb.	lb.	1/0 1/2	—	—
— Ceylon, Pek. Song, Ord. lb.	lb.	—	—	—
— Common Congou	lb.	—	—	—
Cocoa—Grenada, good to fine cwt.	cwt.	78/0	82/0	67 0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Bel. & C. Down	July 16	80	—	£7,292	—	184	103,388	+ 10,752
Cork, Ban. & S.O.	July 16	103	—	2,305	—	75	67,520	+ 2,931
Dublin & S.E.	July 16	160	—	6,250	—	48	148,092	+ 3,449
Gt. Northern	July 16	561	—	28,435	—	85	631,915	+ 22,415
Gt. S. & Western	July 16	1,130	—	35,437	—	1,362	891,966	+ 85,797
Mid. Gt. West.	July 16	538	—	12,395	—	305	349,878	+ 10,715

\* \* On August 6, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Assam Bengal	June 12	862	+11	97,000	—	38,186	13,63,000	+ 8,775
Bard Light	June 26	116	—	15,400	—	4,000	3,00,300	+ 88,700
Bengal & N.W.	June 19	2,041	+13	3,79,080	—	47,882	46,46,047	+ 7,70,186
Bengal Doonars	June 19	153	—	30,802	—	2,071	2,82,727	+ 34,201
Beng. Nagpur	June 19	2,685	+ 7	7,75,000	—	10,000	93,10,000	+ 2,62,000
Bomb. Baroda	July 17	2,859	+32	10,22,000	+1,18,000	16	1,93,84,000	+ 5,86,000
Burma	June 12	1,342	—	3,81,576	—	68,261	43,73,588	+ 7,81,429
East Indian	July 17	2,718	—	20,05,000	+1,29,000	16	3,37,58,000	+ 7,33,000
Gt. Indian Pen.	July 17	2,981	+151	13,18,600	+1,44,200	16	2,65,17,769	+14,22,083
Madras & S.M. June	12	3,132	—	9,35,000	—	3,875	12,41,499	+ 17,436
Nizam's G.M. June	19	797	—	2,05,075	—	28,021	2,10,41,499	+ 6,04,829
Roh. & Kumaon	June 19	580	+16	72,253	—	11,118	9,22,367	+ 47,898
South Indian	June 19	1,783	+10	5,80,790	—	12,341	65,38,847	+ 4,50,121
South Punjab	M. of Mar.	923	—	6,89,429	—	1,15,571	37,46,996	+ 6,23,212

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Can. Northern	July 14	4,995	+295	\$279,100	—	95,900	637,900	+ 199,100
Can. Pacific	July 14	12,921	+882	1,635,000	—	650,000	3,301,000	+ 1,327,000
Gd. Trk. Pac. (7)	July 14	916	—	\$10,427	—	5,609	21,960	+ 12,110
Grand Trunk	July 14	4,008	—	161,955	—	19,919	4,126,832	+ 411,588
Ord. Trunk W. July	14	538	—	29,301	—	1,171	771,585	+ 7,187
Det. Gd. H. July	14	169	—	22,082	—	1,643	270,345	+ 7,825
Mashonaland	M. of May	761	—	36,180	—	25,885	304,490	+ 202,735
Mid. W. Aust. M. of May	27	777	—	6,795	—	4,952	93,781	+ 43,983
New Cape Ont.	June 19	205	—	2,070	—	518	46,536	+ 729
Rhodesia Rlys.	M. of May	1,397	—	61,504	—	26,653	483,135	+ 200,962

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Alcoy & Gandia	July 17	33	—	Pa. 13,000	—	6,000	380,900	+ 8,050
Antofagasta	July 18	819	—	£ 29,690	—	3,340	623,655	+ 408,129
Arauco	M. of May	841	—	£ 6,150	—	2,700	32,625	+ 10,162
Arg. N. East.	June 26	762	+ 85	£ 6,757	—	1,357	14,088	+ 1,083
Arg. Transand.	June 26	110	—	£ 150	—	170	47,130	+ 46,780
Bolivar	M. of June	110	—	£ 8,250	—	1,648	86,169	+ 25,698
Brazil	M. of Apr.	3,362	—	M 3,090,000	—	239,757	12,68,000	+ 787,340
Paulista	M. of Apr.	721	—	M 1,550,000	—	58,123	7,560,000	+ 339,882
Mogiana	M. of Apr.	1,131	+ 57	M 1,313,000	—	125,225	10,750,000	+ 617,804
B.A. & Pacific	July 17	3,535	+ 23	£ 73,000	—	5,000	185,000	+ 4,000
B.A. Gt. So.	July 18	3,792	+ 63	£ 78,000	—	3,000	198,908	+ 15,033
B.A. Western	July 18	1,867	+ 75	£ 44,000	—	4,000	105,000	+ 14,000
Cent. Argentine	July 17	3,307	+ 46	£ 116,000	—	8,300	305,000	+ 2,049
Cent. Uruguay	July 17	271	—	£ 10,876	—	533	26,550	+ 1,503
" (E. Ext.)	July 17	911	—	£ 3,703	—	892	8,556	+ 549
" (N. Ext.)	July 17	185	—	£ 2,110	—	168	4,894	+ 128
" (W. Ext.)	July 17	211	—	£ 1,681	—	350	3,309	+ 1,155
Colomb. Nat.	M. of May	88	—	£ 9,512	—	2,928	47,412	+ 62,213
Col. Rys. & Nav.	M. of May	854	—	£ 19,809	—	8,877	224,068	+ 1,763
Cord. Central	July 17	1,188	—	£ 37,150	—	265	88,350	+ 4,100
Cuban Central	July 17	354	+ 9	£ 8,041	—	1,240	18,774	+ 1,930
Dorada Ext.	M. of June	71	—	£ 8,400	—	1,400	44,500	+ 1,824
Egyptian Delta	June 30	619	—	£ 3,979	—	1,526	34,465	+ 1,500
Entre Rios	July 17	730	—	£ 9,200	—	2,000	21,100	+ 340,782
Gt. S. of Spain	June 28	1,010	—	Pa. 82,890	—	6,535	1,451,056	+ 88,000
Gt. W. Brazil	July 17	1,010	—	£ 6,300	—	3,400	296,100	+ 17,250
La Guadalupe	M. of June	23	—	£ 8,250	—	1,750	42,250	+ 32,095
Leopoldina	July 17	1,808	+ 64	£ 26,037	—	13,849	404,311	+ 106,756
Manila North	July 17	315	+ 10	£ 3,933	—	898	169,303	+ 32,095
" South	July 17	268	+ 81	£ 3,241	—	73	111,310	+ 9,566
Mid. Uruguay	M. of June	319	—	£ 10,532	—	580	113,751	+ 14,336
Nitrate (2 wks.)	July 15	366	—	£ 18,820	—	10,758	148,834	+ 237,100
N.W. Uruguay	M. of June	113	—	£ 22,300	—	333	232,228	+ 68,325
Paraguay Cent.	July 17	256	—	£ 315,000	—	160,000	853,000	+ 179,000
Peruvian Corp.	M. of June	1,059	—	£ 768,374	—	244,044	6,359,705	+ 4,171,249
Puerto Cabello	M. of May	24	—	£ 3,737	—	513	19,858	+ 1,392
Salvador	July 17	100	—	£ 24,500	—	2,500	75,250	+ 15,750
San Paulo	July 11	1,534	—	£ 60,320	—	9,831	86,817	+ 14,327
Taitai	M. of June	184	—	£ 10,500	—	14,220	132,886	+ 176,687
U. of Havana	July 17	781	—	£ 23,802	—	2,880	57,965	+ 4,956
Urug. Northern	M. of June	83	—	£ 1,936	—	132	18,163	+ 7,862
W. of Havana	July 17	147	—	£ 5,238	—	181	12,645	+ 1,987
Zafra & Hlva.	M. of June	112	—	£ 7,061	—	6,058	43,248	+ 42,578

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine	July 15	389	+214	£ 49,999	—	3,185	1,435,243	+ 129,451
Auckland (4 wks.)	June 4	251	—	£ 20,511	—	408	248,109	+ 798
Brazilian Traction	M. of May	—	—	£ 6,670,110	—	489,280	31,092,170	+ 836,882
Brisbane Electric	M. of June	30	—	£ 29,880	—	1,290	178,500	+ 9,525
Bristol	July 16	31	—	£ 10,344	—	50	260,900	+ 20,611
British Columbia	M. of May	242	+ 51	£ 612,568	—	165,748	8,808,470	+ 1,320,431
Calcutta	July 17	361	—	£ 68,476	—	1,442	18,66,073	+ 88,001
Cape Electric	M. of June	42	—	£ 16,405	—	451	202,615	+ 2,224
Carth. & Herr.	M. of June	9	—	£ 2,059	—	654	10,648	+ 3,148
Cork Electric	July 15	91	—	£ 996	—	94	31,089	+ 135
Dublin United	July 16	541	—	£ 6,309	—	482	169,457	+ 5,524
Havana Electric	July 4	—	—	£ 54,811	—	1,257	1,366,581	+ 81,165
Iale of Thanet	July 19	19	—	£ 498	—	897	13,900	+ 7,032
Kalgoorlie	M. of May	204	—	£ 3,269	—	244	13,472	+ 642
Lanarkshire	July 15	281	—	£ 2,013	—	16	62,298	+ 1,707
London C.O.	July 14	141	—	£ 46,405	—	1,632	624,099	+ 43,675
Madras Electric	July 15	—	—	£ 32,086	—	103	374,921	+ 2,937
Manila Electric	M. of June	—	—	£ 116,875	—	15,625	726,002	+ 107,631
Provincial	July 17	21	—	£ 2,411	—	32	85,469	+ 8,177
Rangoon Electric	M. of June	25	—	£ 4,997	—	6	29,745	+ 2,589
U. of Montevideo	M. of June	90	—	£ 24,268	—	3,783	226,632	+ 30,554
Yorks. W. Rdng.	July 18	24	—	£ 1,667	—	73	44,790	+ 2,582

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian sales. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,701 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (g) Earnings of the Lake Superior Branch, leased to Canadian Govt. from July 1, will not be included in future traffic returns. (h) Miles. (i) Compared with previous year. (j) Months. (k) Track miles. (l) Includes Detroit, Grand Haven and Milwaukee Railway. (m) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
481 Cos. (000's omitted)	Apr. to Apr.	(e) \$237,896	—	\$3,394	+ 88,249
	10 mos.	(f) 2,443,973	—	187,320	+ 710,758
Alabama Gt. Southern	May 11 mos.	412,000	—	1,000	+ 108,000
	to May	4,384,000	—	610,000	+ 1,016,000
Ala. & Vicksburg	May 11 mos.	128,000	—	12,000	+ 18,000
	to May	1,398,000	—	353,000	+ 122,000
New Orleans & N.E.	May 11 mos.	285,000	—	43,000	+ 56,000
	to May	3,267,000	—	633,000	+ 604,000
Vicks. Shreve. & Pac.	May 11 mos.	123,000	—	10,000	+ 9,000
	to May	1,298,000	—	428,000	+ 65,000
Atchison, Top. & S.F.	May 11 mos.	8,602,000	—	722,000	+ 2,847,000
	to May	107,713,000	—	8,875,000	+ 33,101,000
Atlantic Coast Line	May 11 mos.	2,587,000	—	458,000	+ 585,000
	to May	29,209,000	—	4,771,000	+ 6,630,000
Baltimore & Ohio	May 11 mos.	8,276,000	—	544,000	+ 3,133,000
	to May	83,152,000	—	8,051,000	+ 24,688,000
Canadian Northern	May 11 mos.	1,193,900	—	447,700	+ 322,900
	to May	16,024,300	—	2,621,000	+ 4,493,400
Canadian Pacific	May 11 mos.	7,261,000	—	2,635,000	+ 2,443,000
	to May	97,353,000	—	28,407,000	+ 30,897,000
Chesapeake & Ohio	May 11 mos.	3,523,000	—	459,000	+ 1,088,000
	to May	35,827,000	—	1,895,000	+ 10,713,000
Chicago & N. Western	May 11 mos.	6,396,000	—	290,000	+ 1,582,000
	to May	76,332,000	—	3,603,000	+ 20,393,000
Ohio, Burl. & Quincy	May 11 mos.	6,957,000	—	306,000	+ 1,640,000
	to May	83,864,000	—	2,238,000	+ 28,499,000
Chicago Great Western	May 11 mos.	1,088,000	—	10,000	+ 208,000
	to May	12,739,000	—	445,000	+ 3,092,000
Ohio, Mil. & St. Paul	May 11 mos.	7,244,000	—	133,000	+ 1,694,000
	to May	83,824,000	—	2,134,000	+ 21,894,000
Ohio, Rock I. & Pacific	May 11 mos.	5,337,000	—	362,000	+ 804,000
	to May	65,288,000	—	2,816,000	+ 12,985,000
Ch. St. P. Min. & Omaha	May 11 mos.	1,311,000	—	32,000	+ 285,000
	to May	16,731,000	—	315,000	+ 4,662,000
Clev. Cin. Ohio. & St. L.	May 5 mos.	2,954,000	—	203,000	+ 809,000
	to May	14,058,000	—	429,000	+ 2,361,000
Colorado & Southern	May 11 mos.	1,000,000	—	75,000	+ 169,000



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### AUGUST HOLIDAY ARRANGEMENT.

"THE STATIST" will be published on Friday next,  
July 30, instead of on Saturday.

# The Statist.

LONDON, SATURDAY, JULY 24, 1915.

### THE COMING SECOND BUDGET.

THE task of covering this year's Budget deficit of over £1,000,000,000 was an extraordinarily difficult one, and needed a very high degree of statesmanship for its accomplishment. The problem was complicated by the fact that the enormous War expenditures had given the civilian part of the population power to spend with more than its normal freedom, had caused the country to over-spend its income, and had rendered the foreign exchanges quite unusually adverse. The problem of covering the deficiency presented a dilemma from which there was no escape. If a vast amount of new taxation were imposed in order to obtain revenue, and at the same time to render the country more economical, there was some danger lest the payment of great sums of additional taxation should reduce the power of the State to raise a voluntary loan; in other words, there was danger that money that otherwise would be applied to a loan would be devoted to the payment of taxation, and that there would be no economy. On the other hand, if a loan were raised and taxation were postponed until after the loan had been paid up, the excessive expenditure of money by the country would continue, taxation would be lost, and the exchanges would remain adverse.

From Mr. Asquith's reply to the important deputation of bankers and merchants, headed by Earl St. Alwyn, the Chairman of the London bankers, that waited upon him this week, it is evident that the Government elected to pursue the second course—to raise a great loan and after it had been paid up to levy whatever balance of taxation was needed to provide the remainder of the money required.

If the whole country had been thrifty the voluntary loan method of raising money might have enabled the entire deficiency to be met by borrowing, but, unfortunately, only a very small number of people are thrifty or are able to subscribe to Government loans. Consequently, in following the second course the Government has had to rely upon the loan subscrip-

tions, direct and indirect, of about one-tenth of the population, and has lost the contributions, by taxation, of the remaining eight-ninths for a number of months.

In view of these conditions some little uneasiness has recently been experienced in the City and elsewhere in consequence of the absence of taxation proposals and the fear lest our great consumption and our great imports should cause an excessive drain upon our gold reserves. It was realised that any temporary adverse trade balance, however large, could doubtless be met by sales of securities, by credit operations of various kinds, and by calling home floating capital; but what everyone wished to know was whether or not the Government's permanent financial policy was likely to be framed on such sound lines that the country would have no difficulty in meeting its war expenditures, however long they might last.

The Prime Minister's admirable statement of the Government's financial policy should not only remove any uneasiness that may be felt respecting the foreign exchanges, but should create complete confidence in the ability of the Government and of the country to finance the War, however long it may continue. The Prime Minister stated: "I need not say that I am very glad to have had the honour of receiving here, with my right hon. friend the Chancellor of the Exchequer, a deputation so exceptionally representative of the great financial and commercial interests which are centred in the City of London. As regards the main thesis to which your observations have been directed, you have, of course, come here to perform the familiar, but I will not say unnecessary, task of preaching to the converted. I have endeavoured to the best of my ability, particularly during the last few months and weeks, to bring home to our fellow-countrymen not only the importance but the urgency and the necessity of economy both in public and in private life. We are face to face with a war which is taxing the resources of practically every nation in the civilised world, and which, so far as we and our Allies are concerned, cannot be prosecuted, as we not only hope but believe it will be, to a successful issue without large measures, earnestly and effectively pursued, both of public and private economy. So far there can be no difference of opinion between us, but when we come to the consideration of specific and concrete proposals to give effect to the purpose which we all share, differences of opinion, I dare say, may to some extent arise; but at any rate the practical difficulties that have to be faced are not inconsiderable. The various speakers who have addressed me have urged the desirability of an increase of taxation. There has been, of course, a very substantial increase since the war began nearly a year ago, but I am in entire agreement with you, and so, I am sure, is the Chancellor of the Exchequer, when you say that we have not gone far enough or nearly far enough in the way of providing additional resources for carrying on the war, and securing that the present generation bears a fair share of the burden, in our own interests and the interests of posterity. But if taxation is increased it can only be in one or both of two ways—by an increase of direct or indirect taxation. Both have been advocated here to-day. In regard to direct taxation I have for a long time been of opinion, as I was before the War, when I expressed the opinion publicly, that our present income tax is very arbitrary in its incidence, and certainly ought to begin at a lower stage in the scale. We should aim at securing that all classes should contribute not only indirectly but directly to meet the necessary expenditure of the State. It is not very easy to devise the machinery, but I was naturally glad to hear from Mr. Machin a warm—I don't say a glowing—tribute to the Insurance Act, which has not always been a popular measure in the City of London or in the country generally. When, therefore, one of the members of the London Chamber of Commerce, speaking on the question of the difficulty of carrying out a gigantic

scheme, declares that the machinery established for the purpose of the Insurance Act could be applied to placing income tax on a broader basis, I hope my right hon. friend will bear in mind the suggestion made to him in that sense. I feel as strongly as ever I did that we ought to extend the cases in which the income tax is imposed. In regard to indirect taxation I am not quite certain that I altogether understand what is proposed, and perhaps there is some discrepancy in the views held by different people, and in the suggestions which some of you have made. In the anomalous and unprecedented financial and economic situation which has been brought about in the world by the present War, and particularly in the situation in which we as a great creditor nation stand, it is obvious, I think, to everybody who makes himself acquainted with the facts, and who has given any study to economic tendencies, that if we are to maintain our credit and to secure the pecuniary resources which we need in order to carry on the War effectively, we must diminish our consumption of imports and must maintain, and, so far as we can, increase our export trade. There is no other way in which it can be done. A temporary export of gold, or even the selling or borrowing on securities, are merely temporary expedients. They may tide over a transient emergency, but they will not, in the long run, meet the requirements of the case. The other way is the only way in which, in the long run, you can secure that the exchanges shall not be permanently against you, and that the nation shall be able, without loss of credit, and without imposing undue burden on themselves, to meet the special obligations which the War entails, and that is not irrelevant to the question whether and how far and in what direction new indirect taxation should be imposed.

"What ought to be your object—to secure revenue and to check the importation and consumption of foreign imports. These are not easy objects to pursue at one and the same time. I should like to see both pursued. I mean a reduction of imports and an additional revenue from whatever quarter we could get it, provided the means are not too injurious in the long run in relation to the amount which is brought in. On the other hand, as I have said, I think, although I am not in favour of resorting to any artificial expedient, it is highly necessary that the people of this country should realise that we all ought to consume less, I mean of superfluities—things that can be dispensed with. A large number of things which we normally consume are things which, in a time of great national crisis, we ought, collectively and individually, to dispense with. The more we do away with this superfluous expenditure the more we shall be in a position, directly and indirectly, to defray the gigantic and unprecedented expenditure on this War. All these things have to be considered by my right hon. friend the Chancellor of the Exchequer, who has to deal with an abnormal and, indeed, unprecedented problem, and I am sure you will not expect me to indicate even in the vaguest and most indirect way by what particular forms of taxation these purposes can be achieved. I assure you that the subject is constantly exercising the minds of the Chancellor of the Exchequer and myself. It is desirable that the whole thing should be dealt with comprehensively and as a whole. Necessarily there has been some delay. We have only just got through the Finance Bill, which was proposed earlier in the year. My right hon. friend has also gone through, with what I think you will agree great success, a gigantic operation in raising the Loan, which has absorbed the energies not only of himself and of his officers, but of the City of London, for whose co-operation the Government of the country are under the deepest obligation.

"But that having been happily cleared out of the way, I have no hesitation in assuring you that there will be no avoidable delay in putting before Parliament concrete, and, I hope, acceptable, proposals—I will

not say to supplement, but to complete as far as we can—for the purposes of the present year, the duty which we recognise as fully as you do, which lies upon us of obtaining from the taxpayers of the country an adequate contribution towards the abnormal and extraordinary expenditure necessitated by the war. I can only further say this, that although I am not disposed to a pessimistic frame of mind, either with regard to the conduct of the War or the resources of this country, yet I think we all increasingly realise that the conditions under which we live are without any precedent in our national history. In these circumstances it is possible for all of us to help not only with our means, but by way of suggestion, advice, and encouragement, those who are responsible for the administration of the finances of the country, and it is a very great satisfaction to the Chancellor of the Exchequer and myself to know that in the burdensome and, as it sometimes seems, overwhelming task, we can count on the co-operation and sympathy of the City of London."

### FINANCING THE WAR.

THE work of mobilising the financial resources and credit of the country and making them available for war purposes is making good progress, and it is evident that everything that can be done will be done by the Chancellor of the Exchequer, the Bank of England, the joint-stock banks, and the great public to supply the vast sums of money needed to carry on the War from day to day. The country has promised to provide the Chancellor of the Exchequer with £600,000,000 by the end of October, and if we assume, as we are warranted in assuming, that any Treasury bills that may be temporarily retired while the Government is flush of money through the payments for the new War Loan are reissued there will remain a sum of only £228,000,000 to be provided, and a portion of this may be found by the additional subscriptions of the wage-earners to the new loan which are being received daily. We are hopeful that the amount of money to be found apart from the renewals of Treasuries and after the War Loan is fully paid up will not exceed £200,000,000. Moreover, if any economy in expenditure can be secured the amount may be still further reduced.

The bankers and merchants of the City, conscious of the task before the nation and of the need to conserve the national resources as far as possible, last week passed the following resolution at a meeting presided over by Earl St. Aldwyn and addressed by Mr. Harold Cox: "That this meeting declares its conviction that in this national crisis, expenditure, both public and private, should be rigidly curtailed, and, at the same time, new taxation should be forthwith imposed upon all classes of the people, in order that when this War shall have been brought to a triumphant conclusion the nation may enter the period of restoration with its financial power impaired to the least possible extent." It was also decided by the meeting to ask the Prime Minister to receive a deputation headed by Lord St. Aldwyn for the purpose of presenting to him the resolution of the meeting. Following upon this important step by the City came the announcement by the Prime Minister that he has appointed a Retrenchment Committee "to inquire and to report what savings in public expenditure, in view of the necessities created by the War, can be effected in the Civil Departments without detriment to the interests of the State," and that the following gentlemen had been invited to serve: The Chancellor of the Exchequer (Chairman); Mr. Montagu, M.P. (Financial Secretary to the Treasury); Viscount Midleton; Mr. H. T. Baker, M.P.; Sir L. Chiozza Money, M.P.; Mr. J. F. Mason, M.P.; Mr. Evelyn Cecil, M.P.; Mr. J. H. Thomas, M.P.; Sir Gilbert Claughton, Bart.; Mr. Gaspard Farrer; Mr. Harold Cox.

Lord Middleton, who in the House of Lords recently called attention to the desirability of effecting public economy, and who is on the new committee, endeavoured to get the Government to extend the scope of the reference to the Army and Navy. Lord Middleton said that "since the recent debate he had received from every part of the country strong protests as to the unnecessary expenditure in connection with the military forces. If the action of the Government was to stop at the appointment of the Committee dealing with civil expenditure it would greatly disappoint the expectations of the country. The War Office had done extraordinary work, but some reinforcement of financial control was essential, and if it was not applied by the Government public opinion would force it upon them before long." In reply to the various demands both in the Commons and in the Lords for a scrutiny of War Office expenditure the Prime Minister pointed out that such inquiry at the present time would be harmful rather than beneficial. He said "it would be impossible to conduct it effectively at the present moment without withdrawing officers of those Departments from much-needed duties in connection with the War, and expending an amount of time and labour in that regard which we think might be more profitably and usefully employed in the actual conduct and supervision of naval and military operations. It is for that reason, and that reason alone, that for the moment the administration of these Departments has been withdrawn from the terms of reference."

The course which the Government has decided to pursue in the matter of army and navy expenditures was described by the Prime Minister in the following words: "But, let me add, we are so fully alive to the importance of the prevention of waste—and a certain amount of waste undoubtedly there has been; I think, humanly speaking, it is inevitable in the conduct of operations so gigantic and so unforeseeable in their scope as those in which we have been engaged during the last twelve months—but so anxious are we to prevent the possibility of a recurrence of any such extravagance as that which has by inadvertence, or through insufficient control of the Departments, occurred, that the Chancellor of the Exchequer will, in the case of the War Office in conjunction with the Secretary of State, and in the case of the Admiralty in conjunction with the First Lord, apply himself at once and with the greatest possible assiduity and vigilance to a careful overhauling of the possible items in those Departments in regard to which it is practicable during the progress of the War to make effective reductions without impairing efficiency. It is better that, for the time being, control should be exercised in that way through the head of the Treasury than that the more elaborate machinery of investigation by a Committee should be applied to those Departments which are already overworked and from which it is most undesirable that any of the distinguished officers in managing positions should be withdrawn. I mention that in order that the House may be assured that we are quite as fully alive to the importance of retrenchment, if possible, in these Departments as in any other Department of the public service."

Beyond this reassuring statement of the Prime Minister the Financial Secretary to the War Office informed the House that "with regard to the prevention of waste, the Secretary of State for War has issued a circular letter to the officers commanding the various districts calling their attention to the extreme urgency of this question, and inviting them to take every possible step to see that the need for economy is duly brought to the attention of everybody under their command." Further, he informed the House that "we shall welcome any suggestions of a useful character which can be made to improve our system."

Thus greater efforts are to be made to prevent waste in all departments, and it is possible that substantial economies may be obtained. We do not anticipate,

however, that the War expenditures will be reduced to under £3,000,000 a day, as more and more men are being recruited, and it is evident that the payments for rifles, guns, and ammunition, will rapidly increase as the weeks and months pass.

The economies that may be effected by the Retrenchment Committee and by the co-operation of Mr. McKenna, with Lord Kitchener and Mr. Balfour to assist, should prevent any further great increase in the expenditure beyond £3,000,000 a day. Thus, if we assume that most of the Treasury bills will be renewed or reissued later on, and that additional subscriptions to the War Loan by the working classes reach a substantial figure, an additional amount of about £200,000,000 will be needed to cover the deficit in the Budget, and presumably this sum will be raised in the current year by additional taxation. The calculation of the sums still required to cover the deficiency in the Budget of over £1,000,000,000 is, roughly, as follows:

		£
Actual war expenditure, April 1 to July 17—		
		£
Army and Navy .. .. .	241,693,000	
Loans and advance .. .. .	43,916,000	
Miscellaneous .. .. .	15,302,000	
Total .. .. .	300,911,000	
Estimated war expenditure, July 18,		
1915, to March 31, 1916, at		
£3,000,000 per day .. .. .	774,000,000	
Total war expenditure, year ..	1,075,000,000	
Other expenditure, including interest	165,000,000	
Total .. .. .	1,240,000,000	
Miscellaneous expenditure, say ..	50,000,000	
Total expenditure .. .. .	1,290,000,000	
Estimated revenue .. .. .	270,000,000	
Approximate deficit .. .. .	1,020,000,000	
Sums already borrowed—		
Treasury bills .. .. .	172,347,000	
New War Loan .. .. .	600,000,000	
Old War Loan, &c. .. .. .	19,148,000	
	791,595,000	
Deficit to be found .. .. .	228,000,000	

This week the Prime Minister moved another vote of credit for £150,000,000, bringing up the total sum asked for so far in the current year to £650,000,000, and raising the total sum voted since the outbreak of war to £1,012,000,000. The Prime Minister calculated that this additional vote will meet the expenses of the War until the middle of September. The amount would, indeed, be more than sufficient for this purpose were it not for the fact that the Government proposes "to repay the Bank of England advances made by it in respect of what are called pre-moratorium bills and for other purposes at the request of his Majesty's Government," and, secondly, that additional payments may be made in respect of advances to Allies the sum needed for which "may grow with the adhesion to our cause of States which did not take part in the War in its earlier stages." It will be realised, of course, that votes of credit granted by the House are more than covered by the money provided by the recent loan, which will meet the entire expenses of the War until late in the year.

M. GREGOR ALEXINSKY, ex-Deputy of the Russian Duma, has followed up his "Modern Russia" with another work on "Russia and the Great War." It deals with the internal life of Russia before the War; the struggle between Russia and Austria over the Balkans; and the attitude of the Tsar's people when confronted with the present disastrous War. M. Alexinsky gives an estimate of the probable results of the War in Russia, and forecasts the future relations of that Empire with England, and with the whole of Europe. (Messrs. T. Fisher Unwin. Price 10s. 6d. net.)

## THE OUTLOOK.

THERE is still no material change in any of the theatres of the War. Owing to our want of foresight in not preparing adequate supplies of munitions in time, neither the British nor the French are in a position for the time being to take a vigorous offensive. Our French Allies, it must in justice to them be acknowledged, are in a much better position than we are to act effectively. Our troops, unfortunately, are so badly provided with high explosives in particular that we cannot assist our Allies as we ought to have done. Thus we are reminded once more that it is not the numbers of men under arms which determine the fate of a campaign. Numbers are of importance, of course. But, however overwhelming the superiority may be, it is of no real value unless the superior numbers are better equipped in every way, better disciplined, and better led. Before Constantinople the Allies seem to be making slow progress. The enemy has been able to offer a more formidable resistance than he was believed capable of. Evidently Germany had made every preparation for supplying the Turks with the munitions and artillery they were known to be deficient in. And our own arrangements were so badly made that, even after the first attack with ships alone, plenty of time was afforded to the Turks to put themselves in a better posture of defence. In the Eastern theatre of operations the information before us is still too defective to enable us to judge accurately. The Germans and Austrians claim very considerable successes, and it seems impossible to doubt that the Russians have fallen back on Warsaw; that that city, moreover, is threatened from three directions; and that as yet our Russian Allies do not consider it judicious to assume the offensive. How long they will act on the defensive remains to be seen. Whether, for example, they will hold their present positions and await the German attack, or whether they will content themselves with reinforcing the garrison of Warsaw and throwing in all the supplies that may be required, then retreating further so as to draw the enemy farther and farther from their base, in the hope and belief that at some given point they will be able to turn upon the pursuing enemy and inflict upon him a disastrous defeat, it would be futile at present to offer an opinion. With the information before us it is useless to speculate what are the real plans of the Russian Commander-in-Chief. All we can say with certainty is that every day gained is of advantage to our Russian Allies. They have an immense superiority in men, and they can, therefore, reinforce their armies indefinitely. Moreover, we ourselves, through either the Scandinavian countries, or Archangel, or Vladivostok, can, if the proper measures have been taken, send supplies, in regard to which there appears to be no doubt that our Russian Allies are somewhat deficient.

## BRITISH EMPIRE ORGANISATION.

THE invitation given by Mr. Asquith to Sir R. Borden to join in the proceedings of the Cabinet on Wednesday of last week has given rise to much speculation amongst our contemporaries. We venture to think that a great deal of the speculation is entirely beside the mark, and that the incident, though well worth noting, has not the significance generally attached to it. It is quite true, of course, that it was the first time that a Minister of any of the Dominions beyond sea was invited to attend a meeting of the Cabinet. But it is to be recollected that the action was not merely exceptional, but was so exceptional as to demand a departure from accepted rules in very many particulars. Sir R. Borden, in the first place, is the Premier of the greatest of the Dominions beyond sea. In the second place, Canada has contributed in a remarkable manner to the defence of the Empire against unprovoked aggression. And, in the third place, Sir Robert is the first notable Minister of any of the Dominions to visit

London while the War has been in actual operation. An honour paid to him, then, is as exceptional as are the circumstances in which it was paid. But there is a much more powerful reason for thinking that entirely too much significance is attached to the presence of the Canadian Prime Minister at a meeting of the purely United Kingdom Cabinet. Before the War broke out it had been evident for very many years to all really observant and thinking persons that a war with Germany was threatened; that if it was not highly probable, at all events it was a contingency that required to be guarded against. Germany was inflated beyond all reasonable limits by her great victory over France. She assumed that, having beaten Austria and France in succession so easily and so rapidly, she would, with careful preparation, be able to beat any coalition that might stand up against her. Therefore, all thoughtful public men must have considered in their own minds, if not officially, what ought to be done should Germany break all bounds. That being so, the period since Russia rushed into war with Japan has been exceptionally favourable for amending the organisation of the British Empire. If the Government at home and the Governments of the great self-governing Colonies had been quite alive to all the exigencies of the situation, they would have taken advantage of their opportunity and rearranged, to some extent at all events, the relations between the Mother Country and the Daughter Countries. The opportunity, however, has been allowed to pass, and we venture to think that the coming period, when peace is restored to us, will be far less favourable for reopening the question.

When the War ends we believe, and we hope, that France, Italy, and Japan will find themselves much more happily circumstanced than they have been for a long time past; will take advantage of their good fortune; and will advance in prosperity of every kind. We must remember, also, that France has suffered very severely in this War. A large part of her territory at the end of almost twelve months of the struggle is still occupied by the enemy. It has been subjected to very heavy requisitions. It has been plundered of everything the enemy required. And ruin has been wrought upon its towns and its monuments. Granting that France receives compensation for all the damage done, it will take her a considerable time before she will be in a position to take an independent course in the world. The War will have plunged her deeply in debt. And, above everything, her population is stationary. We hope and believe that it will now begin to increase. But a population cannot be improvised. It will take at least a generation before France is to the rest of the world what she was half a century ago. In the same way, Italy, we hope and believe, will prosper. But it will take a long time before Italy finds herself in a position to act in the world just as suits her own interests without regard to the opinions of others. Again, nobody who has followed the course of Japan since she emerged from the isolation in which she had wrapped herself for so long can doubt that a great future is before her. But Japan is a poor country, with little accumulated capital, and with very little room for the expansion of her population in her own traditional territory. She will grow, of course. She is growing already both in the great island of Hokkaido and in Formosa. She will grow, likewise, in Korea and in Manchuria. But if the Japanese are as wise during the next 50 years as they have been during the past half-century they will be very careful how they plunge into a policy of adventure. If our readers agree with these observations, they will see that when the War comes to an end there will be in reality only three really great Powers in the world—the British Empire, the United States, and Russia. It will be clear, then, that a new war will be one of the most unlikely of things, and everybody will be disposed to look forward to at least half a century of peace. If that be so, what motive will the self-governing Dominions have to draw closer their relations with the Mother Country?

While they had to count with a war with so aggressive and so powerful a country as Germany it was natural that they should desire not only to give assistance to the Mother Country, but also to secure the protection of the British Fleet for their oversea communications. But what need will they have for the protection of the British Fleet if they can reasonably count upon peace for half a century? Similarly, we ourselves will come out of the War loaded with debt. Our main thought will be to reduce that debt as rapidly as possible, to find means of keeping up our revenue, and especially of pushing our trade in every direction, so that we may pay off at least 100 millions of debt per annum. If that is to be our main preoccupation, is it likely that either the public or Ministers will trouble much about drawing closer the relations with the Daughter Countries? We shall retain for them the same affection as now. But we shall comfort ourselves that if the day of distress comes they will prove to us, as they are proving now, that "blood is thicker than water": and we shall put off to a time of greater leisure the reorganisation of the Empire.

## HOME RAILWAY DIVIDENDS.

### MIDLAND RAILWAY.

THE financial position of the Midland Railway seems very secure at the present time, and unless any fresh burdens are imposed upon the undertaking, the maintenance of existing dividends may be looked for during the period the present arrangement with the Government remains in force. For the June half of this year the dividend on the Deferred is again at the rate of 3 per cent., but inasmuch as for the December half of 1914 the rate of distribution was 5 per cent., against  $5\frac{1}{2}$  per cent. for the corresponding half of 1913, the stock receives 4 per cent. for 1914-15, against  $4\frac{1}{2}$  per cent. for 1913-14. The net profit of the line for 1914 available for the Deferred reached £1,748,000, or nearly £200,000 in excess of the sum needed to pay the 4 per cent. dividend on the Deferred stock. Inasmuch as an additional amount of about £118,000 will be received this year, making up the net receipts to the 1913 level in accordance with the Government arrangement, it will be evident there is a very considerable margin out of which to pay the War bonus and to meet fresh interest and other charges. The  $2\frac{1}{2}$  per cent. Preferred stock yields about  $5\frac{1}{8}$  per cent. at its present price of 50, while a return of £6 16s. 9d. per cent. is afforded on the Deferred quoted at 60 $\frac{1}{2}$ . Recent dividends compare as follows:—

#### Midland Deferred Stock.

	1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	5	$5\frac{1}{2}$	$5\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$3\frac{1}{2}$	3	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	3	$3\frac{1}{2}$
June half...	3	3	$3\frac{1}{2}$	$2\frac{1}{2}$	$3\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	2	2
Year ...	4	$4\frac{1}{2}$	$4\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	3	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$

### NORTH EASTERN RAILWAY.

The dividend on North Eastern stock is again at the rate of  $5\frac{1}{2}$  per cent., as for the first halves of 1913 and 1914. For the past twelve months the distribution has been  $6\frac{1}{2}$  per cent., against 7 per cent. for 1913-14, and  $6\frac{1}{2}$  per cent. for 1912-13. Unfortunately, the North-Eastern has followed the practice adopted on this occasion by so many of the other railways, and has published no data as to the profits of the past half-year. However, it is apparent the Company will have no difficulty in paying the same dividends for the whole of 1915 as for 1914, for with the exception of the London and North Western, the North Eastern stands to gain more than any other line from the arrangement with the Government, an extra sum of, roughly, £247,000 being forthcoming this year out of which to pay the higher wages bill and to provide for any additional interest charges. For 1914 there was a margin of £205,000 beyond the sum needed to pay the  $6\frac{1}{2}$  per cent. dividend, and for this year the margin seems likely to be still greater. In view of existing circumstances no addition to the dividend is to be looked for, the wiser

course appearing to be to add to the sum credited to reserve fund. North Eastern "Consols" are quoted 108 $\frac{1}{2}$ , at which the yield from the  $6\frac{1}{2}$  per cent. dividend is £6 3s. 6 $\frac{1}{2}$  per cent.:—

#### North Eastern.

	1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	$7\frac{1}{2}$	$8\frac{1}{2}$	$7\frac{1}{2}$	7	7	7	6	7	7	$6\frac{1}{2}$	$6\frac{1}{2}$	6
June half...	$5\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$	$4\frac{1}{2}$	$5\frac{1}{2}$	5	5	$4\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$	$4\frac{1}{2}$	5
Year ...	$6\frac{1}{2}$	7	$6\frac{1}{2}$	$6\frac{1}{2}$	$6\frac{1}{2}$	6	$5\frac{1}{2}$	$5\frac{1}{2}$	$6\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$	$5\frac{1}{2}$

### GREAT NORTHERN RAILWAY.

As in the June half of each year, commencing with 1903, the dividend on the old form of undivided Ordinary stock is at the rate of 3 per cent., so that inasmuch as the dividend was  $5\frac{1}{2}$  per cent. for the December half of 1914, the stock receives for the past twelve months  $4\frac{3}{4}$  per cent., which gives  $2\frac{3}{4}$  per cent. to both the Deferred and "A" stocks. The directors of the Great Northern are to be congratulated upon having continued their practice of publishing a few figures relating to the half-year's operations. It is true the figures are meagre, but proprietors of the undertaking are not left so much in the dark at the present time as in the case of all the other companies which have so far announced dividends. For although it would have been possible for each of them to have published some approximate data, yet none have been vouchsafed. We give below a comparison of the statements for the June halves of the last three years:—

#### Results of Great Northern Railway, June Halves.

	1915	1914	1913
Estimated receipts from all sources ...	£ 3,520,000	£ 3,377,000	£ 3,352,000
Estimated expenses ...	2,478,000	2,336,000	2,303,000
Net receipts ...	1,042,000	1,041,000	1,050,000
Interest charges ...	806,000	805,000	802,000
Net profit ...	236,000	235,000	248,000
3% dividends on Ordinary ...	268,000	268,000	253,000
Deficit ...	32,000	33,000	5,000
Brought forward ...	101,000	151,000	128,000
Carried forward ...	61,000	98,000	123,000

We would, however, point out that the figures of gross earnings may be somewhat misleading, the more accurate figure regarding the past half-year's operations being net receipts. Under the terms of arrangement with the Government the net have been made up to the level of 1913, the difference of £8,000 arising from the Company having to pay 25 per cent. of the War bonus to employes. Interest charges for the half-year are unchanged, and that the balance forward at June 30 is £29,000 lower than a year ago is due to the amount brought into the half-year having been correspondingly less. The profit for 1914 reached £812,000, and judging from the June half-year's results it would appear that the additional £34,000 or so of net receipts that will be received will be quite sufficient to meet the extra wages bill, and that as interest charges appear to be unchanged the profit shown for 1915 may be fully equal to that for 1914, which would enable the dividend of  $4\frac{3}{4}$  per cent. to be maintained with a substantial balance. The Deferred stock is quoted 38 $\frac{1}{4}$ , at which the yield from the dividend of  $2\frac{3}{4}$  per cent. is £7 7s. per cent. A yield of as much as 8 per cent. is afforded from the  $2\frac{3}{4}$  per cent. dividend on the "A" stock now standing at 35 $\frac{1}{4}$ . Recent dividends compare as follows:—

#### Great Northern Undivided Ordinary.

	1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	$5\frac{1}{2}$	6	$5\frac{1}{2}$	$5\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	5	5	$4\frac{1}{2}$	$4\frac{1}{2}$	4	4
June half...	3	3	3	3	3	3	3	3	3	3	3	3
Year ...	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	4	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$

#### Great Northern Deferred and "A" Stocks.

Year ...	$2\frac{1}{2}$	3	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	2	$1\frac{1}{2}$	$1\frac{1}{2}$	1	1
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### LONDON AND SOUTH WESTERN RAILWAY.

The dividend on the Ordinary remains unchanged at the rate of 4 per cent., thus making, with the distribution at the rate of  $7\frac{1}{4}$  per cent. paid six months ago,  $5\frac{3}{8}$  per cent. for the past year. This is equivalent to  $1\frac{1}{8}$  per cent. on the Deferred, which for the twelve months to June 1914 received  $1\frac{1}{8}$  per cent. Probably no English railway is busier with the carriage of troops and munitions than the South Western, yet it will

receive this year only £2,000 or £3,000 more net receipts than for 1914, at the same time that it has got to pay its contribution of the War bonus and has to meet extra interest charges. Towards the end of last year, it will be remembered, £1,000,000 of 5 per cent. Preference stock was disposed of, which will involve some extra charge this year, even when allowance is made for reduction of bankers' loans. Without drawing upon the balance forward or upon the reserve fund there is a margin of approximately £32,000 over dividend requirements this year—that is, assuming the distribution for the December half is the same as for the December half of 1914—out of which the Company can pay its quota of the War bonus and new charges. South Western Ordinary, now quoted at 94, gives a return of £6 3s. 3d. per cent., while the yield on the Deferred, standing at about 23½, is 7½ per cent.

*London and South Western Undivided Ordinary.*

	1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half ...	7½	7½	7½	8	8½	8	7½	7½	7½	8	8	8
June half ...	4	4	4	3	4	4	3½	3½	4	4	4	4
Year ...	5½	5½	5½	5½	6½	6	5½	5½	5½	6	6	6

*London and South Western Deferred Stock.*

Year ...	1½	1½	1½	1½	2½	2	1½	1½	1½	2	2	2
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### SOUTH-EASTERN AND CHATHAM COMPANIES.

Usually at this time of the year the Joint Managing Committee announce the amount of net revenue available for distribution between the South-Eastern and the Chatham Companies, but this year the directors intimate that in view of existing circumstances it is impossible to give any figures for publication, though why approximate figures could not have been given as in the case of the Great Northern Railway we fail to see. Had no arrangement been entered into with the Government, and had the Companies been operating independently and receiving revenue for all the work they are performing, it seems safe to say earnings and profits of the combined system at the present time would have shown marked expansion owing to the immense amount of traffic that must necessarily be conveyed over the lines by reason of proximity to the Channel ports. The net profit of the South-Eastern however, based upon the estimated share of the net revenue of the joint lines, with the addition of the Company's own separate revenue, is sufficient to enable the dividend on the Ordinary stock to be maintained for the past half-year at the rate of 1 per cent., which, with the distribution at the rate of 6 per cent. for the second half of 1914, makes 3½ per cent. for the past twelve months. So far as we can gauge, about £23,000 of additional net receipts will be received by the South-Eastern this year under the arrangement with the Government, which, with the surplus of £3,000 over the dividend of 3½ per cent. paid for 1914, gives approximately an extra £26,000 out of which the Company can meet its proportion of the war bonus. It is true that from the first of this year £500,000 of new Redeemable Preference stock has ranked for interest, but inasmuch as this money was raised mainly to pay off bankers' loans, there should be little net addition to interest charges. It is reasonable to assume, therefore, that the dividend on the Ordinary for the whole of 1915 will be similar to that for 1914, which would again give 1 per cent. to the Deferred. The yield upon the Ordinary now quoted 52 is about 6½ per cent., upon the 6% Preferred standing at 84½ about 7½ per cent., and upon the Deferred, quoted at 23 £4 9s. per cent.

*South-Eastern Ordinary.*

	1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half ...	6	6½	6½	6½	6	5	5	4	4½	4½	4	4½
June half ...	1	1	1½	1½	1½	1	Nil	1	1	1	1	1
Year ...	3½	3½	4	3½	3½	3	2½	2	2½	2½	2½	2½

*South-Eastern Deferred.*

Year ...	1	1½	2	1½	1½	Nil	Nil	Nil	Nil	Nil	Nil	Nil
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The declaration of the Chatham Company is somewhat less satisfactory, for whereas a year ago the full

rate of dividend was forthcoming on the 4½% First Preference stock, the rate for the past half-year has been reduced to 4 per cent., which means the payment of about £17,000 less than a year ago. The Company's share of additional net receipts, before payment of employees' war bonus, amounts to about £16,000 for the current year, but it has to be borne in mind that for 1914 the net profit fell short of the full 4½ per cent. on the First Preference stock by about £13,000, so that there is little margin with which to pay the Company's share of the War bonus and to provide for the net addition to interest resulting from the issue of 4% Debenture stock made during 1914. The distribution on the First Preference stock for the past twelve months is thus 4½ per cent., which may prove to be the dividend for the calendar year 1915, for with conditions as they are at present it would seem to be imprudent to draw upon the balance brought forward for the purpose of paying the full rate of dividend. The price of the First Preference is 60, a quotation which seems to indicate the market looks for a dividend six months hence similar to that just announced. The yield on the basis of the dividend for the year to June is about £7 6s. 7d. per cent., but if only 4 per cent. is forthcoming the yield would be £6 13s. 4d. per cent. The Second Preference, which last received a dividend of 1½ per cent. in respect of 1913, and upon which no distribution can be looked for so long as the existing agreement with the Government remains in force, is quoted 29 and the Ordinary at 8. The fluctuations in the dividends paid during the past twelve years will be evident from the appended statement:—

*London, Chatham and Dover 4½% First Preference.*

	1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
2nd half ...	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
1st half ...	—	4½	4½	4½	4½	3	2	1	2½	2½	2½	2½
Year ...	—	4½	4½	4½	4½	3½	3½	2½	3½	3½	3½	3½

*London, Chatham and Dover 4½% Second Preference.*

2nd half ...	Nil	3	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
1st half ...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Year ...	Nil	1½	1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### TAFF VALE RAILWAY.

A reduction from 4 per cent. to 3½ per cent. in the interim dividend of the Taff Vale Railway Company lowers the rate for the twelvemonth to 3½ per cent., as against 4 per cent. It is difficult to see why the Company is compelled to reduce the rate of distribution. For the whole of 1914 it earned a profit of £200,000, and paid a dividend of 3¾ per cent. This absorbed a sum of £195,000, and left a surplus of £5,000 available for future contingencies. In addition the Company will receive approximately £8,000 more net receipts this year under agreement with the Government, so that it should be in a position to maintain the dividend in respect of 1915 at 3¾ per cent., and have a surplus in hand of about £13,000. Out of this, however, it has to provide an increase in capital charges, and 25 per cent. of the war bonus to employees. The increase in charges will not be large, probably no more than £6,000, leaving £7,000 with which to meet the war bonus. This may or may not cost more than £7,000, but the reduction in dividend seems to imply fairly heavy commitments in this respect. It may, however, be found when the annual report is issued that the Company is fully earning 3¾ per cent. on the share capital, but by reducing it to 2½ per cent. is leaving a margin whereby accounts in suspense can be liquidated. At the end of 1914 these amounted to over £25,000. The dividends paid in recent years are set out beneath:—

*Taff Vale.*

	1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half ...	3½	4	4½	4	4	4	4½	4½	4	3½	3½	3½
June half ...	3½	4	4	3	4	4	4	4	4	4	4	4
Year ...	3½	4	4½	3½	4	4	4½	4½	4	3½	3½	3½

Taff Vale Ordinary stock is quoted at about 62, and the dividend of 3½ per cent. affords a yield of £5 16s. 2d. per cent.

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## Financial Notes.

THE feeling in the United States that the action of this country in regard to neutral trade is not quite satisfactory, and that, in particular, our action in regard to cotton is quite unsatisfactory, appears to be growing. It is no answer that Germany has acted in a far more high-handed manner towards United States shipping and United States trade than we have. In the first place, two wrongs do not make a right. In the second place, we ought not to model our behaviour on that of Germany. And, in the third place, our rights as belligerents are limited. To begin with, a belligerent has no right which is not recognised by international law—in other words, which is not recognised as legitimate by the great majority of civilised peoples. The rights of belligerents, that is to say, rest upon the common consent of nations. Whenever consent has not been given, or a question is raised as to whether there is consent, clearly we are bound either to show that our action is justified according to international law, or else to come to an understanding with neutrals.

Over and above this, it is to be recollected that we have entered into this War, not because any express and undoubted interest of ours was attacked twelve months ago, but because we believed the action of Germany and Austria-Hungary to be unwarranted, illegitimate, and high-handed, and because we decided to protect the weaker States against unlawful aggression. Therefore, if we are to maintain our own good character, and show that we have entered into the War, not for any selfish purpose of our own, but to maintain international rights and the liberties of weaker peoples, then clearly we are bound to do nothing towards neutrals which is not specifically justified by international law.

So far we have dealt with the matter on moral and legal grounds. But there are two other considerations which must not be left out of account. One is that we are not an aggressive people. Our greatest interest is peace. And when the two Central European Empires are brought to their knees we all hope and expect that we shall be able to exact such terms as will ensure a very long continuance of peace. If

so, it is clearly our interest to remain on terms that might be turned against ourselves by-and-by. If our expectations are fulfilled, and we are able to remain at peace with the rest of the world for, let us say, half a century, during that period wars may break out between other Powers. In that case we should be neutral, and it clearly is desirable that nothing should be done by us which could be turned against ourselves were we to be neutral and other Powers belligerent.

Lastly, we desire, and very properly desire, to maintain the friendliest possible relations with our kinsmen at the other side of the Atlantic. In saying this we are not forgetting that it is desirable to limit the War as far as is possible. We have quite enough to do to subdue our present enemies. We do not want to raise up further enemies, and we are not in the least ashamed to give expression to the feeling. But while that is true—while we do not want to increase the number of our enemies—we are not resting the case as regards the United States simply upon that. On the contrary, we think it would be a crime against civilisation, and a monstrous thing on our part, if we were to do anything which might bring about a war between the two great branches of the English-speaking peoples. We have no hesitation, then, and no false shame, in saying that we desire the friendship of the American people simply for itself, because they are our kinsmen, and we desire it also because we wish to bring the war to an end as soon as we can, and, therefore, we do not want to increase the area of belligerency.

We venture to think, then, that the Government is drifting, we will not say dangerously—for we hope the relations between the two great branches of the English-speaking peoples are too good to allow of war—but we will say drifting unfortunately, making many men in the United States who really sympathise with the nations of the Triple Entente feel that we are trading upon their sympathy and pushing rights farther than they ought to be pushed. We do not profess to speak with authority in respect of international law. Neither do we take upon ourselves to say what ought to be the ultimate decision of the Government as to dealing, more particularly with cotton. But we do feel very strongly that the Government ought to recognise that the bulk of American opinion is friendly; that it ought not, therefore, to trade upon American friendliness, but ought to send over to Washington a representative, or representatives, who are thoroughly experienced in regard to cotton, and who in purely diplomatic matters would have the aid and advice of the British Minister in Washington. It is, of course, desirable that the enemy should not be freely supplied with cotton. Cotton is necessary for the manufacture of high explosives, and we desire to restrict as far as we can his manufacture of such. But these restrictions may be purchased at too high a price. Therefore, men who understand the cotton trade intimately ought to be sent over, to come to an understanding with the American Government, which of course, would take counsel with the growers and exporters of cotton. The essential thing is that we should retain the good feeling of the whole neutral world, and especially of the United States, while legitimately endeavouring to bring the War to a close as quickly as possible.

**ROYAL BANK OF CANADA.**—Quarterly dividend of 3 per cent. on the paid-up capital stock.

**COMMERCIAL BANK OF AUSTRALIA.**—Dividend at the rate of 4 per cent. per annum on Preference shares, and £9,575 carried forward.

**COMMERCIAL BANKING COMPANY OF SYDNEY.**—Dividend at rate of 10 per cent. per annum, and £72,733 carried forward. The usual bonus on salaries was granted to the staff. The sum of £25,000 was added to the reserve fund, which now amounts to £1,780,000.



## National Shawmut Bank

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## American Topics.

### THE FINANCIAL OUTLOOK IN THE UNITED STATES.

THE increase in the reserves of the National Banks particularly, but practically of all banks in the United States, has been so remarkable of late that not a few careful observers at the other side of the Atlantic are expressing apprehension that the country is moving towards a very wild, and therefore dangerous, speculation. The export trade of the United States is on an enormous scale. The rates of interest and discount are moderate. The reserves of all the banks are exceptionally large. Therefore, not a few are urging that an outburst of activity is not merely inevitable, but is desirable, and that it is fairly safe if not continued too long. It is natural that a great accumulation of unemployed money at a time when exports are on an unprecedented scale should encourage people to look for an extraordinary outburst of trade—should, indeed, even incline them to think that such an outburst is desirable and will prove safe. At the same time, those cautious persons who are already issuing warnings have much ground for the attitude they are taking up. It will be recollected that the reform of the banking system carried through by the present Administration decreased very materially the reserves required by law to be held by the banks. Thus in the three Central Reserve Cities the proportion of reserve required by law to be kept was reduced from 25 per cent. to 18 per cent.; that required to be kept in the ordinary Reserve Cities was reduced from 25 per cent. to 15 per cent.; while outside the Reserve Cities the ratio required to be kept was reduced from 15 per cent. to 12 per cent. It will be observed that these various reductions amount to a very large sum, and, consequently, the surplus reserves have mounted up rapidly. The requisite reserves are very much less, as we have been showing, than they were before the new Act was passed; and, in spite of the immense demand for war purposes of the belligerent countries, trade in the United States has not even yet become very active. Accordingly, the greater part of the moneys set free by the reduction of the requisite reserves, as just explained, is still held by the banks; and, consequently, when people look at the bank returns they see sums of disposable money lying idle at the banks greatly in excess of anything to which they have hitherto been accustomed, and it is a matter of course that the more sanguine think that a great outburst of activity is

impending. Cautious persons point out that the state of things is rather calculated to inspire prudence than exceptional enterprise, since the real reserves of the banks are much smaller than they used to be; and, therefore, if any accident happened the banks would prove to be less strong than heretofore. In addition to this, it is pointed out that the 12 District Federal Reserve Banks created by the new law have no capital of their own. Their capital has been supplied by the banks which have joined the new Federal system. Practically the whole of the National Banks have joined the new system, and it is understood that a considerable number of the State banks have done likewise. Consequently, cautious people argue that the National Banks are much less strong than they were formerly. They have parted with a portion of their capital to establish the new Federal District Banks, and they are required by law to keep smaller reserves than formerly. Over and above all this, it is urged that whereas usually in Europe the reserves of banks are held in gold, or at all events in what can be turned into gold, in the United States the National Banks are allowed to hold their reserves not only in gold, but in silver, and even in legal-tender notes, while the State banks are permitted to hold portions of their reserves in National Bank notes. For all these reasons it is argued that the new law has made the financial situation much less strong than it was, and that, far from encouraging new enterprise, it ought to act as a warning to be exceedingly cautious.

We invite the attention of our readers to this state of things, not because we believe that there is any immediate danger either of a reckless speculation in the United States or of a fresh breakdown, but because it is well that the business community of London should clearly understand a state of things which is giving rise to much controversy at the other side of the Atlantic. We do not think that a great outburst of trade activity is likely in the immediate future, simply because a very great war is going on. Nobody knows how it may result or what new complications it may give rise to. The United States itself, for example, is engaged in a very serious diplomatic controversy with Germany upon matters of the very gravest import. The German Government, far from showing any inclination to meet the United States Government in a friendly spirit, has taken up an attitude which may easily lead to grave complications. It is incredible that while a dispute of the kind is going on between the United States and Germany a rash and reckless speculation can break out. Furthermore, we would point out that the War is costing every country engaged in it unheard-of sums; that the populations of all the countries are called upon to economise in every way possible, so as to enable their respective Governments to carry on the War adequately. Therefore, it is difficult to believe that the means exist for very active trade. The great belligerent countries, as just said, have as much as most of them can do in furnishing their Governments with the means of carrying on hostilities. The neutral countries are either small or backward. Consequently, they do not seem to have the means to carry on a very great trade. Upon the whole, therefore, it would surprise us if there were to be a great outburst of activity in the United States. Yet business men in this country, and especially our bankers, should clearly understand that men of judgment in the United States are in grave doubt as to whether the new banking law has not weakened, instead of strengthened, the banking system of the United States, and, therefore, whether there may, or may not, be need for further tampering with the law. While the present Administration lasts it is scarcely to be expected that a fresh banking Bill will be introduced. But if there should be a change in the Administration it is by no means improbable that the United States may have to face another measure for transforming the banking system.

## BUENOS AYRES GREAT SOUTHERN RAILWAY.

### CAN THE DIVIDEND BE MAINTAINED?

The particularly disappointing gross results of the Buenos Ayres Great Southern Railway Company for the past year seem at first sight to foreshadow a further cut in the dividend. The falling off in traffic receipts was well over half a million sterling, or 10 per cent., and inasmuch as in 1913-14 the Company barely earned 5 per cent. on its Ordinary stock, and in respect of the past year will have to meet higher capital charges, it is practically certain that 5 per cent. has not at any rate been earned. At the same time it must be recognised that the financial position of the Company is very strong, and provided the outlook three months' hence, when the dividend policy is under consideration, is of a promising character, the directors will undoubtedly be justified in drawing upon reserves in order to maintain the dividend. For the December half of the year, it will be recollected, an interim dividend at the rate of 4 per cent. per annum was declared, although not fully earned, and the reserve fund was drawn upon to make good the deficiency. No half-yearly report was issued, and no statement was made as to the amount taken from reserve. Consequently it was quite impossible to form a true opinion as to the actual state of affairs. Nevertheless, from the data available it was evident that the deficiency was not large; for, as we showed at the time, had the loss of £577,000, or 21 per cent., in gross receipts resulted in a diminution of some £380,000, or 77 per cent., in net profit, a transfer of £50,000 only from reserve would have been needed for the dividend to have been covered. This, of course, is after allowing for the balance of £316,000 brought in from the preceding year. Our calculation is appended:—

#### December Half-Year.

	1914*	1913	—Inc. or Dec.—	%
Gross earnings ... ..	£ 2,078,000	£ 2,655,000	—£ 577,000	—21
Expenses ... ..	1,304,000	1,665,000	—261,000	—16
Ratio ... ..	(62·75)	(58·94)	+ (3·81)	—
Net earnings ... ..	774,000	1,090,000	—316,000	—29
Miscellaneous income ... ..	30,000	47,000	— 17,000	—36
Net income ... ..	804,000	1,137,000	—333,000	—30
Charges, &c. ... ..	690,000	641,000	+ 49,000	+ 7
Profit for Ordinary ... ..	114,000	496,000	—382,000	—77
Ordinary dividend ... ..	480,000	664,000	—184,000	—
Rate per cent. ... ..	(4%)	(6%)	(2%)	—
Balance ... ..	Dr. 366,000	Dr. 168,000	—198,000	—
Brought forward ... ..	316,000	473,000	—157,000	—
Carried forward ... ..	Dr. 50,000†	305,000	—355,000	—

\* Estimated.

† Possible sum taken from reserve.

Moreover, an analysis of the position for the complete twelve months shows that a slight further transfer from reserve is probably all that is needed to make good the deficiency in earning 5 per cent. for the year on the Ordinary stock. To appreciate the possibilities one has to take into account, first of all, the probable retrenchment in the various spending departments, and, secondly, the conversion of some £5,590,000 of Extension share capital, hitherto bearing 4 per cent. interest, into Ordinary stock. Of this total £3,000,000 was converted into and ranks *pari passu* with the Ordinary as from July 1, 1914, and £2,590,000 as from January 1 last, so that while the Ordinary stock has been raised by £5,590,000 to £29,090,000 during the year, £2,590,000 of the increase will bear interest at the rate of only 4 per cent. per annum for the first six months, but will be entitled to receive whatever dividend is distributed on the Ordinary in respect of the latter half of the year.

Assuming this is distributed at the rate of 6 per cent. per annum, making 5 per cent. for the year, the sum needed after deducting tax will be about £1,250,000, as against £1,146,000. The increase of £114,000 required will be slightly offset by reduced fixed interest charges, for whilst about £70,000 more will probably be absorbed by Debenture interest, rentals, &c., only £52,000, as against £132,000, will be needed to pay 4 per cent. on the outstanding amount of Extension share capital. Thus the net increase in capital charges, assuming 5 per cent. is again paid on the Ordinary, will be only about £102,000.

To earn this larger sum, however, in face of a diminution of over half a million sterling in gross receipts, would impose upon the management the almost insuperable task of curtailing expenditure by some £600,000, which, having regard to the much heavier traffic handled in the latter months of the year, is not to be thought of. At the same time the ability of the Company to work with increased economy is certainly great. True it is that coal and railway material of all kinds have cost more, but against this has to be set the big curtailment of train mileage and the saving arising both in wages and material from the reduction to a minimum of all unnecessary renewal and repair work. If, therefore, we reckon, as we may, for a saving in expenses equal to 50 per cent. of the loss in gross receipts (say £256,000), the net earnings for the year would amount to £2,008,000, as against £2,264,000, a diminution of £256,000, or 11·3 per cent. Adding miscellaneous income and deducting interest charges, rentals, &c., the profit for dividend would come out at approximately £883,000, or some £377,000 short of the sum needed to pay 5 per cent. on the existing amount of Ordinary stock. Of this deficiency £316,000 could be made good out of the balance brought forward from 1913-14, leaving only £61,000 to be provided out of reserve. Considering the largeness of the reserves, the transfer of such a sum could be made with ease. That the calculation may be followed we set out herewith the estimated results for the past year on the basis outlined, and add for comparative purposes the actual results of working for the last three years:—

#### Buenos Ayres Great Southern Railway.

	1914-15*	1913-14	1912-13	1911-12
Gross earnings ... ..	£ 4,952,000	£ 5,464,000	£ 6,569,000	£ 5,404,000
Expenses ... ..	2,944,000	3,200,000	3,699,000	3,017,000
Ratio ... ..	(59·25)	(58·56)	(56·31)	(55·83)
Net earnings ... ..	2,008,000	2,264,000	2,870,000	2,387,000
Miscellaneous income ... ..	153,000	153,000	151,000	119,000
Total net income ... ..	2,161,000	2,417,000	3,021,000	2,506,000
4% Debenture stock ... ..	616,000	557,000	530,000	517,000
4½% Saladillo Deb. stock ... ..	46,000	46,000	46,000	46,000
Rentals, &c. ... ..	130,000	120,000	107,000	99,000
Income tax ... ..	34,000	33,000	33,000	24,000
Total charges ... ..	826,000	756,000	716,000	686,000
Net profit for Pref. stock ... ..	1,335,000	1,661,000	2,305,000	1,820,000
5% Preference stock ... ..	400,000	400,000	356,000	300,000
4% Extension shares (1911 issue) ... ..	—	53,000	22,000	100,000
4% Extension shares (1913 issue) ... ..	52,000	81,000	—	—
Total ... ..	482,000	534,000	378,000	400,000
Profit for Ordinary ... ..	883,000	1,127,000	1,927,000	1,420,000
Dividend on Ordinary ... ..	1,260,000	1,146,000	1,590,000	1,421,000
Rate per cent. ... ..	(5%)	(5%)	(7%)	(7%)
Surplus ... ..	Dr. 377,000	Dr. 19,000	337,000	Dr. 1,000
Extraordinary flood repairs ... ..	—	138,000	—	—
Balance ... ..	Dr. 377,000	Dr. 157,000	Cr. 337,000	Dr. 1,000
Brought forward ... ..	316,000	473,000	136,000	137,000
Carried forward ... ..	Dr. 61,000†	316,000	473,000	136,000

\* Estimated.

† Deficiency to be made good out of reserve.

We have, of course, no knowledge of the policy the directors will pursue in regard to the dividend. We give the foregoing calculation merely to show the task which has to be performed in order to maintain the dividend, and how such could be accomplished under normal conditions. If the outlook is encouraging when a decision has to be made the directors may consider themselves justified in again paying 5 per

cent. to the stockholders, even if to do so involves a transfer from reserve. On the other hand, should the traffic prospects be unfavourable a further cut in the dividend would seem to be inevitable, for it would be distinctly unwise to weaken the finances of the Company until it can be seen that a turn in the tide of traffic decreases had set in.

Unfortunately the earnings of the first three weeks of the current year have been disappointing, decreases having again been experienced. This is possibly due to the fact that the bulk of the wheat and oats, of which the Company carries a large quantity, has now been exported. On the other hand, the maize crop is a large one, and although of less importance to the Great Southern than to some of the other big lines, it is, nevertheless, likely to bring the Company a good deal of additional revenue in the coming months. The weak spot at the moment is undoubtedly the scarcity of up traffic, but this disability should be gradually rectified as the purchasing power of the country increases and its requirements from abroad can be more fully supplied. The wealth of Argentina has been, and continues to be, so greatly increased by the big demand and high prices obtained for its produce, that sooner or later a recovery in the import trade must inevitably take place, and when this does occur it will be speedily reflected in a larger volume of general traffic over the railways. The Buenos Ayres Great Southern carries an enormous quantity of general goods, about one-fifth of its total gross receipts being derived from this particular class of traffic, so that the revival of prosperity is likely to have an important bearing on the earning power of the Company in the near future.

To show the nature of the freight traffic and the relative importance of each individual source of revenue we give the following statement:—

*Freight Traffic B. A. Gt. Southern Railway.*

Goods.	Quantity			Receipts		
	1913-14	1912-13	1911-12	1913-14	1912-13	1911-12
	Tons	Tons	Tons	£	£	£
Wheat ...	788,914	1,744,572	1,498,686	231,415	501,674	386,262
Barley and oats...	481,725	878,530	836,247	216,006	375,048	335,307
Wool ...	87,744	87,358	96,308	150,357	158,634	178,158
Stone ...	799,507	810,174	438,305	226,696	245,382	143,387
Potatoes ...	221,933	226,417	158,076	148,800	142,184	99,279
Lime ...	78,737	111,629	99,781	44,029	57,757	53,402
Flour ...	101,040	98,497	85,603	49,282	50,316	42,365
Hides ...	11,178	12,415	12,893	16,437	17,657	27,844
Skins ...	14,184	15,023	17,262	21,676	22,810	27,130
Hay ...	72,806	81,696	76,032	32,356	29,390	26,936
Maize ...	404,297	997,182	108,278	87,821	246,611	20,366
Posts ...	14,284	22,681	29,878	8,633	13,088	13,495
Linseed ...	43,005	44,665	32,654	13,113	17,362	8,693
General goods ...	2,004,642	2,531,595	2,086,507	1,121,679	1,331,852	1,153,033
Total ...	5,126,996	7,662,434	5,576,510	2,368,350	3,209,765	2,515,657
Govt. materials, &c.	212,053	145,488	91,700	62,923	51,710	37,702
Western Railway materials, &c.	151,804	169,741	125,083	4,669	7,744	7,556
Grand total	5,490,853	7,977,663	5,793,293	2,435,942	3,269,219	2,560,915
Live Stock.	No.	No.	No.	£	£	£
Cattle ...	1,526,123	1,252,251	1,061,382	313,054	267,012	230,074
Sheep ...	4,542,572	5,207,795	5,033,371	151,894	156,162	145,372
Horses ...	42,136	47,056	50,450	23,616	25,722	25,456
Pigs ...	80,731	55,849	47,820	8,061	5,389	3,926
Total live stock...	6,191,562	6,562,951	6,193,023	496,625	454,285	405,828

It is too soon yet to speak with certainty regarding the coming harvest, which is not usually safe until December. But with climatic conditions very favourable to the young growth, and with a larger area under cultivation, the new crops of wheat, oats, and linseed promise to yield a big return. Moreover, it should be borne in mind that in the coming months traffics will have to compare with the exceedingly small returns of a year ago, when on the outbreak of war business for a time was reduced to a minimum. In the six months July to December 1914 the traffic receipts of the Company amounted to under £2,000,000, whereas in the corresponding period of the preceding year they were £2,576,000, and in 1912 £3,087,000. To show the poor traffics with which the Company now has to compare, and the recovery which has taken place since the end of March last, we

give in the following table the course of earnings monthly since July 1911:—

*Course of Traffic Receipts since July 1, 1911.*

Month	Principal Crops Carried	1914-15	1913-14	1912-13	1911-12
	£	£	£	£	£
July ...	Maize	293,000	361,000	423,000	341,000
August ...	"	328,000	433,000	526,000	395,000
September ...	"	241,000	345,000	456,000	333,000
3 months ...	"	862,000	1,139,000	1,405,000	1,069,000
October ...	"	271,000	383,000	462,000	343,000
November ...	"	438,000	547,000	501,000	402,000
December ...	"	428,000	507,000	719,000	565,000
6 months ...	"	1,999,000	2,576,000	3,087,000	2,379,000
January ...	Wheat	542,000	529,000	586,000	307,000*
February ...	"	519,000	558,000	626,000	448,000*
March ...	"	465,000	585,000	729,000	636,000
9 months ...	"	3,525,000	4,248,000	5,028,000	3,770,000
April ...	"	480,000	405,000	533,000	532,000
May ...	"	545,000	449,000	484,000	494,000
June ...	"	402,000	362,000	524,000	608,000
Total year ...	"	4,352,000	5,464,000	6,569,000	5,404,000

Strike period.

In the wave of prosperity which extended throughout Argentina in the 10 or 12 years prior to the outbreak of the Balkan Wars advantage was taken by the Company to improve and consolidate its position. Since 1905 it has added over 1,300 miles to its system, and has spent something like £26,000,000 of additional capital upon extensions and improvements. Until the early months of 1914 the increase in earnings and profits fully kept pace with the growth of mileage and of capital, and inasmuch as a large portion of the recent capital expenditures is as yet quite unproductive, a big increase in earnings and profits should again be experienced as soon as normal conditions again prevail.

To show the development of the system in recent years, and the progress made since 1904, we give the following comparative statement of the main results of working for a decade:—

Year to June 30	Miles Open	Gross Earnings	Expenses	Ratio	Net Earnings	Net Profit for Ordinary	Dividend
		£	£	%	£	£	%
1915*	3,792	4,952,000	2,944,000	59.25	2,008,000	833,000	5
1914	3,655	5,464,000	3,200,000	58.56	2,264,000	1,127,000	5
1913	3,544	6,569,000	3,699,000	56.31	2,870,000	1,927,000	7
1912	3,389	5,404,000	3,017,000	55.83	2,387,000	1,420,000	7
1911	3,044	4,988,000	2,694,000	54.01	2,294,000	1,434,000	7
1910	2,770	4,602,000	2,517,000	54.69	2,085,000	1,004,000	7
1909	2,716	4,649,000	2,531,000	54.44	2,118,000	1,087,000	7
1908	2,613	4,442,000	2,474,000	55.69	2,968,000	1,080,000	7
1907	2,529	4,254,000	2,449,000	57.68	1,806,000	1,025,000	7
1906	2,506	3,896,000	2,239,000	57.47	1,657,000	947,000	7
1905	2,481	3,350,000	1,671,000	49.87	1,679,000	994,000	7
1904	2,478	2,853,000	1,315,000	48.07	1,538,000	929,000	7

\* Estimated.

The price of the Ordinary stock is about 76, and on a 5 per cent. dividend basis the yield afforded is  $\frac{1}{2}\frac{1}{2}$  per cent. Twelve months ago the price was 105, and the fall which has occurred fully discounts the less favourable position of the Company. Indeed, the stock looks distinctly attractive at the figure. The 5% Preference stock, which is a well-secured investment, can be bought at 90, and allowing for accrued dividend a yield of £5 13s. per cent. is forthcoming. For absolute safety the 4% Debenture stock of the Company may be commended. The total fixed charges were last year probably covered about three times, and as the combination of adverse conditions then obtaining is not again likely to be experienced the safety of the Debenture stock is unquestionable. The price is  $78\frac{1}{2}$ , and the yield well over £5 per cent.

The capital of the Company is set out beneath:—

Security	Amount	Dividend	Price	Yield
	£	%	£	£ s. d.
4% Debenture stock ...	15,405,797	4	$78\frac{1}{2}$	5 1 11
5% Preference stock ...	8,000,000	5	90	5 13 0
Ordinary stock ...	29,090,000	5	76	6 14 3
Total ...	52,495,797			

HUDSON'S BAY COMPANY.—This Company announces that, owing to the continued dislocation of all branches of the Company's business through the War, the Governor and Committee have decided not to recommend the payment of a dividend on the Ordinary shares.

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## Insurance Notes.

### WESLEYAN AND GENERAL ASSURANCE SOCIETY.

ORDINARY life and industrial insurance operations are embraced in the scope of this Birmingham mutual life Office, which is, indeed, the oldest institution of this combined description in the country. Like its contemporaries it has felt the adverse influence of the War on its new business and profits, but in all other respects a gratifying measure of development is noticeable in the report and accounts for last year. The new ordinary life transactions for 1913 and 1914 compare as undernoted:—

		No. of Policies	Sums Assured £	New Annual Premiums £
1913	...	14,104	663,027	39,039
1914	...	9,281	459,465	28,895

It will be seen that in both years the average amount of each new policy was a little under £50. The Society fulfils a useful function in offering the benefits of ordinary life assurance to a class of the community which assures for even smaller sums than the average in other combined life and industrial organisations. The total ordinary life premium income of the Society amounted in 1914 to £226,220, showing an increase of £14,718. Expenses of management, inclusive of commission, absorbed 14.9 per cent. of the ordinary premiums. The ordinary life assurance fund was increased through the year's operations by £128,644 to £1,248,918; the net yield of interest thereon, after deduction of income tax, being apparently about £3 12s. per cent., as compared with £3 10s. 4d. per cent. in 1913.

In the industrial section the premium income, increased by £13,150, amounted to £776,621. Expenses of management, inclusive of commission, show a reduction, the ratio to premium income being 47.2 per cent., as compared with 49.7 per cent. in 1913. This is due to some extent, no doubt, to a diminished new business, the new industrial assurances during 1914 amounting to £2,147,978, as compared with £2,605,355 in the previous year. But the expense ratio is still above the average shown by industrial companies. A special war burden in this section is due to the Courts (Emergency Powers) Act, which compels industrial offices in certain cases to maintain policies in force, notwithstanding the non-payment of

premiums, until the close of the War, subject to payment of arrears thereon. To meet this the sum of £25,000 has been transferred to a special reserve. Thereafter the industrial life fund at the close of the year, increased by £115, amounted to £228,000. In the industrial, as well as the ordinary, department the net interest yield shows an improvement, having risen from 4.9 per cent. in 1913 to 4.12 per cent.

The Society has a small surplus reserve account. The premiums relating thereto amounted in 1914 to £2,887, and the fund at the close of the year to £62,333. No new business has been transacted by the Society in this section for many years past.

Annual valuations of the whole business are made, the rate of interest assumed being 3 per cent. After the transfer of £25,000 to special reserve, as above explained, the surplus arising from the valuation on December 31, 1914, amounted to £43,321, of which £6,000 has been set aside as an investments reserve fund, while the sum of £28,230 is applied in providing reversionary bonuses to all ordinary participating life policies which had been two years in force at the rate of 26s. per cent., as compared with 32s. per cent. in 1913. The sum of £9,091 (compared with £8,388 last year) is carried forward as undivided surplus. No bonus is declared in respect of the year's operations on industrial policies.

The Society obtained a Special Act of Parliament in 1914 enlarging the powers of investment and increasing the scope of the ordinary life business. The special circumstances of the year prevented these powers being adequately employed, for the directors thought it right to increase the amount of money available at short call, and their bank deposits at the close of 1914 amounted to £150,000, as compared with £10,000 in the 1913 account, apart from £22,999 representing cash on current account and in hand. The Chairman, however, reported at the annual meeting that an investment of £50,000 was subsequently made at 4 9s. per cent.; that he hoped that a further appreciable increase in the interest yield would be shown in 1915; also that after the War the new Act would enable the Society to undertake new classes of business, to its great advantage.

Out of total assets of £2,393,815 shown in the balance sheet on December 31, 1914, £550,084 related to mortgages on property within the United Kingdom, £1,261,121 to loans on parochial and other public rates, £141,496 to loans on policies within surrender values, £9,500 to War Loan, and £130,547 to freehold and leasehold securities. The only Stock Exchange investments were represented, to the extent of £20,286, by deposits of Preference stock in British railways with the Paymaster-General in accordance with the Assurance Companies Act.

### LONDON GUARANTEE AND ACCIDENT COMPANY, LIMITED.

The larger part of the business of this Company apparently relates to employers' liability insurance in the United States, which has been subjected to certain adverse influences during the last few years. This had a serious effect on the dividends, which had formerly been at a very high standard, 62½ per cent. having been paid on the Ordinary capital in 1912. In order to strengthen the finances the dividend was passed in 1913, but in 1914 dividends at the rate of 31½ per cent. were declared. In the report for 1914 it is stated that the American liability claims had proved to be even more costly than was anticipated two years previously, but that the profits on later business have more than covered the loss thereby experienced, and that the relative department now promises to yield a satisfactory profit in the future.

The subscribed capital on December 31, 1913, amounted to £150,000, of which £75,000 was paid up, in 25,000 Ordinary shares of £5, with £2 paid, and

5,000 fully-paid 5% Preference shares of £5 each. In 1914, prior to the outbreak of the War, arrangements were being made for the issue of 100,000 new Preference shares of £1 each, and thereafter 50,000 of these shares were offered to the Company's shareholders and friends, of which 39,253 shares were subscribed and allotted. The subscribed capital stood on December 31, 1914, at £189,253, of which £109,886 was paid, as follows:—

25,000 Ordinary shares of £5, £2 paid	...	...	50,000
5,000 5 % Preference shares of £5, fully paid	...	...	25,000
39,253 5 % Preference shares of £1, on which was paid	...	...	34,886

In respect of the operations of 1914 the following dividends were declared—the full rate of dividends on the Preference shares (a half-year's dividend being paid on the amounts paid up on December 31, 1914, on the new shares) and 31½ per cent. (as in the previous year) on the Ordinary shares.

The net premium income of the Company in 1913 and 1914 was as follows:—

	1913	1914
Accident ...	111,274	107,212
Employers' liability (U. Kingdom) ...	41,927	49,084
Other classes ...	919,193	1,085,291
	1,072,394	1,241,587

After adjustment of reserve for unexpired risks the profits shown by the respective accounts in 1914 seem to have been as follows:—

	Profit from Trading £	Profit from Interest, &c. £
Accident ...	267	2,391
Employers' liability (U. Kingdom) ...	2,698	1,123
General ...	8,450	22,176
Profit and loss account...	—	10,414
	11,415	36,104

The total of £47,519 has been thus allocated: In dividends, £17,349; in increase of balance carried forward, £30,170, bringing that amount up to £38,895, which is reported as sufficient to cover estimated depreciation in value of investments in excess of that provided for by the investments reserve fund of £20,730.

The reserve fund amounts to £170,000; and the departmental funds, apart from sums set aside (£509,690) for estimated liability under outstanding claims and for deferred payments, to £387,104; together, £557,104. Out of the net premium income of £1,241,587 in 1914, the total amount of the premiums relating to unexpired risks on December 31, 1914, appears to be £873,902. The total assets as shown in the balance sheet on December 31, 1914, amounted to £1,357,135.

## ROYAL DUTCH PETROLEUM.

In spite of war conditions during the last five months of the year the Royal Dutch Company is able to show an increase in profits for 1914 as compared with previous years. The business is a world-wide one, and has naturally been much upset by the disorganisation of trade generally which has taken place since August 1914. At the beginning of the War the financial position gave considerable trouble. It is necessary to have large sums of money available in Europe for the development of the business, and these sums have been invested in Holland in loans against securities—a sum of 21,000,000 florins, or roughly £1,750,000, being so invested at the outbreak of war. For some time, and to some extent even at present, this money was not redeemable. On the other hand, expenses went on as usual, and an instance is afforded in the necessary despatch of goods to Netherlands India at a cost exclusive of freight of over 11,700,000 florins. Similarly the expenses for the fleet which are in

excess of 1,000,000 florins per month had to be met. Moreover, the capital expenditure for the development of the business could not altogether be avoided. In consequence of the strength of the Company's financial situation, however, it was fortunately in the position of having considerable sums available and had no debts. Consequently, although in most countries a moratorium was declared, the Royal Dutch Company did not find it necessary to avail itself thereof, and was able to meet all its obligations without recourse to loans. Naturally the influence of the War was soon felt in the business. Very soon the available tonnage became very scarce, and this scarcity became still more marked when Turkey joined the War and the Dardanelles were closed. Exports from Russia and Roumania through the Black Sea became impossible, and it was necessary, therefore, to obtain supplies from more distant producing countries, necessitating the entire reorganisation of the transport service.

It is, of course, well known that the Royal Dutch Company and the Shell Company are the two partners in a world-wide organisation established for the production and sale of petroleum, and the Royal Dutch Company holds the preponderating influence, and is, therefore, in effect the controlling influence in the combination, 60 per cent. of the capital in the chief subsidiaries belonging to the Royal Dutch Company, and 40 per cent. to the Shell Company, while the Royal Dutch Company, in addition, has a considerable holding in the Shell Company. Subsidiary companies are controlled in Russia, Roumania, Egypt, Oklahoma, California, Panama, Venezuela, Mexico, Sarawak, and Netherlands India. The total authorised share capital is 100,000,000 florins, divided into 1,500 Preference shares, 28,500 Priority, and 70,000 Ordinary shares of 1,000 florins each. The whole of the first two classes of shares have been issued, and of the Ordinary shares there is in issue 56,645,400 florins, leaving an unissued balance of 13,354,600 florins.

For 1914 the Company has secured from dividends, &c., a total of 30,937,308 florins, as compared with 3,553,621 florins for 1913. Expenses have also risen, amounting to 571,400 florins, as compared with 383,631 florins, so that there is a net profit for the year of 30,365,908 florins, as compared with 30,169,990 florins.

This may be seen from the following statement:—

	Year ended Dec. 31—1914 F.	1913 F.	1912 F.
Div. from Bataafsche Petr. and Anglo-Saxon ...	25,926,419	25,219,916	16,650,064
Div. from Shell Transport ...	989,468	1,343,743	1,955,975
" Astra Romana ...	328,824		
" Buito ...		959,364	980,120
" Soc. Com. et Indust. de Naphte Mazout and other Cos. ...	1,805,854	1,151,237	1,097,280
Interest difference in exchange ...	1,424,299	1,312,366	4,563,041
Sundry profits ...	412,854	518,245	1,404,170
Miscellaneous income ...	49,590	48,760	48,997
	30,937,308	30,553,621	26,679,647
Administration and other expenses...	500,817	215,987	301,991
Taxes ...	70,583	167,644	—
Total expenses ...	571,400	383,631	301,991
Net profit ...	30,365,908	30,169,990	26,377,656

From the above profit there falls to be deducted, first of all, income tax calling for 391,144 florins net, then the Preference dividend at 4 per cent. requiring 60,000 florins, and finally a 4½ per cent. dividend on the Priority shares calling for 1,282,500 florins. There is then a balance of 28,632,264 florins. Out of this the Ordinary shares are entitled to a dividend of 6 per cent., and there then remains a balance of 25,233,540 florins, which is divided in certain proportions between the directors, the management, and the shareholders, the first taking 3 per cent., the second 4 per cent., and the third 93 per cent., so that of the amount available 755,006 florins belong to the management, while 1,009,341 florins goes to the directors or Commissaires, leaving 23,467,192 florins for the shareholders.

The figures, according to this distribution for the

past three years, may be seen from the following statement:—

	1914 F.	1913 F.	1912 F.
Profit for year as above	30,365,908	30,169,990	26,377,656
Income tax (net) ...	391,144	264,888	297,618
	29,974,764	29,905,102	26,080,038
Preference div. at 4%	60,000	60,000	60,000
	29,914,764	29,845,102	26,020,038
Priority share div., 4½%	1,282,500	1,282,500	1,282,500
	28,632,264	28,562,602	24,737,538
Balance ...	3,398,724	3,398,724	3,139,020
Ordinary share div., 6%			
	25,233,540	25,163,878	21,598,518
of which Management takes ... 3%	757,006	754,916	2,591,822
of which Commissaires take ... 4%	81,000	81,000	863,341
and shareholders take 93%	23,467,192	23,402,407	18,142,755
	25,233,540	25,163,878	21,598,518

Though as shown above the Commissaires are entitled to 1,009,341 florins for 1914, the whole of this has not been received by them, and the actual payment is only 197,500 florins. The difference between the amounts actually paid and the sums receivable from profits goes to swell the sum available for dividend to the shareholders. The figures are as follows:—

	1914 F.	1913 F.
*Though the Commissaires, as shown above, are entitled to 1,009,341	1,009,341	1,006,555
The actual amount received by them is ...	197,500	227,500
Balance goes to the shareholders ...	811,841	779,055

It is now possible to arrive at the actual sum available for distribution on the Ordinary share capital. First of all, a sum equivalent to 6 per cent. on the outstanding Ordinary share capital is to be set aside after payment of the Priority share dividend. For 1914 this was 3,398,724 florins. Then there is the balance of the Commissaires account which, as shown above, amounts to 811,841 florins for the past year. Finally, there is 93 per cent. of the net sum shown in the table above, which is 23,467,192 florins, so that the total sum available for the Ordinary dividend is 27,677,757 florins, which enables a dividend of 49 per cent. to be paid, as compared with 48 per cent. for 1913, and 41 per cent. for 1912. The balance carried forward is then reduced to 810,701 florins.

The manner in which the sum available for distribution among the Ordinary shareholders is made up may be seen from the following:—

#### Shareholders' Proportion.

	1914 P.	1913 F.	1912 P.
6% on capital after payment of Priority share div. ...	3,398,724	3,398,724	3,139,020
Balance from Commissaires' account ...	811,841	779,055	623,941
Proportion of profit after paying 6% as above ...	23,467,192	23,402,407	18,142,755
Total ...	27,677,757	27,580,186	21,905,716
Dividend ...	27,756,246 (49%)	27,189,792 (48%)	21,449,970 (41%)
Brought forward ...	Dr. 78,489	390,394	455,746
	889,190	498,796	43,050
Carried forward ...	810,701	889,190	498,796

As the actual details of the manner in which the profits are distributed may perhaps be found somewhat intricate, we set out below the actual manner in which the profits for the past three years are divided without reference to the details as set out in the tables above:—

The comparison is as follows:—

	1914 F.	1913 P.	1912 F.
Profit as shown above ...	30,365,908	30,169,990	26,377,656
Income tax (net) ...	391,144	264,888	297,618
	29,974,764	29,905,102	26,080,038
Preference dividend, 4%	60,000	60,000	60,000
	29,914,764	29,845,102	26,020,038
Priority share dividend, 4½%	1,282,500	1,282,500	1,282,500
	28,632,264	28,562,602	24,737,538
Ordinary dividend ...	27,756,246 (49%)	27,189,792 (48%)	21,449,970 (41%)
Commissaires' dividend ...	876,018	1,372,810	5,287,568
	197,500	227,500	240,000
	678,517	1,145,310	3,047,568
Management dividend ...	757,006	754,916	2,591,822
Brought forward ...	Dr. 78,489	390,394	455,746
	889,190	498,796	43,050
Carried forward ...	810,701	889,190	498,796

As an example of the growth of the Company it may be pointed out that it was formed in 1890 with a capital of 1,300,000 florins, or £108,000. At the present time the capital in issue is 86,645,400 florins, or over £7,200,000. The total value of the assets is about £14,500,000, so that some idea of the magnitude of the operations is obtained. We set out here-with a statement of the liabilities and assets as at the end of last year:—

LIABILITIES.	F.	ASSETS.	F.
Share capital ...	56,445,100	Shares in subsidiary com- panies ...	121,518,710
Preference capital ...	1,500,000	Option on shell shares ...	1
Priority capital ...	28,500,000	Premises ...	182,175
Sundry creditors ...	1,783,377	Securities ...	5,725,001
Redeem fund ...	50,129	Sundry debtors, &c. ...	18,934,008
Reserve ...	53,412,152	Cash ...	26,786,261
Profit and loss balance ...	31,255,098		
	173,146,156		173,146,156

Immediately after the outbreak of war there was a tendency practically everywhere to increase prices of petroleum products simultaneously. The Royal Dutch Company did not think there was any necessity to support this tendency, and the sudden demands by buyers who feared imports would be interfered with were met to the fullest extent of the demand. In general the result of sales remains, therefore, about the same as for 1913 notwithstanding the War. Detailed particulars are given in the report as to the working of the principal subsidiary companies, and summarised balance sheets of the chief ones are appended at the end of the Royal Dutch report, which forms a document of considerable importance and of great interest to all oil investors.

It is interesting to note that the Company has now reached its twenty-fifth birthday, and it is pointed out that "the rapid growth and great success of our Company might in normal times have been made the subject of suitable celebrations. In view of the fact, however, that our Dutch Company has become the leader of a great international undertaking, it seems to us better to postpone such celebrations to happier times." It is hoped that when peace is restored the turnover will increase considerably. The business has been more and more consolidated, and the financial risks consequently have become less and less, and as at present there is hardly an oil-producing country where the Royal Dutch Company has not a more or less important share in the production, it may confidently be anticipated that the total output will steadily increase. The present price of the 100 florin share, which is the denomination of shares offered in London in December 1913, is £41½, and on the basis of a 49 per cent. distribution the yield afforded is about £9 16s. per cent. This is an exceptionally high yield for such a share, and, consequently, the shares may be regarded as a very attractive oil investment of a less speculative character than is usually the case.

## THE MARCONI REPORT.

THE report of the Marconi Wireless Telegraph Company, Limited, for the year 1914 is a much more succinct document than previous ones have been, which is scarcely surprising in the circumstances, for naturally operations of the various subsidiary companies have been affected by war conditions, and the information available as to their working is comparatively limited, so that shareholders in the parent Company have to be satisfied with a bare recital of the results secured. For example, the French Company has declared a dividend for 1914 at the rate of 10 per cent. on the Ordinary shares and 31.25 frs. per share on the Founders' shares, these dividends being at the same rate as those declared for 1913. The Marconi International Marine Communication Company has again shown substantial increase of business and profits, as was shown in this Journal on July 3, a dividend of 10 per cent. having been paid for the year, similar to 1913. Satisfactory progress is also shown by the Russian Company, which has declared a divi-

dividend of 15 per cent., as compared with 6 per cent. for the previous year. The Marconi Wireless Telegraph Company of America earned increased profits, but owing to the conditions prevailing in Europe and the consequent necessity to defer the opening of their transatlantic service the directors decided in the meantime not to declare a dividend.

Altogether, it is pointed out, the outbreak of war caused considerable dislocation of the Company's own affairs as well as those of the associated companies; "businesses of importance which were on the point of fruition have had to be deferred; many negotiations which were in course of successful progress with foreign Governments had for the time being to be abandoned; the opening of the direct public telegraph service between this country and the United States of America and Spain has had to be postponed. In some cases, owing to the unfavourable rates of exchange substantial sums have had to be deposited at interest with bankers abroad, and some payments from foreign Governments deferred with interest accruing until after the War. The sum of £4,347 Os. 6d. due from the Turkish Government has not been received." It is also pointed out that the basis of remuneration from the Government for the use of the Company's high-power stations since the beginning of the War and other services not yet having been settled it has not been possible to include any sum in respect of them in the profit and loss account of last year. These items will, therefore, have to be entered to the credit of the accounts of the current year. Altogether, however, the gross trading profit for 1914 has amounted to £371,072, as compared with £245,584 for 1913. After providing for expenses, depreciation, and the Preference dividend there is a balance of £215,217. It may be added that the Preference shares are entitled to a cumulative dividend of 7 per cent. and after the Ordinary shares have received a non-cumulative 10 per cent. to share *pari passu* in surplus profits. For 1913, as the Ordinary dividend was 20 per cent., the Preference dividend reached a total of 17 per cent. For 1914, as the Ordinary dividend has been reduced to 10 per cent. the Preference dividend is 7 per cent. The 10 per cent. has required a sum of £122,269, and it has been decided to place a sum of £100,000 to the general reserve account, the carry-forward being reduced by £7,052 to £69,498. The directors say they do not contemplate that any loss will result in consequence either of loss in exchange or deferred payments, but having regard to the serious War in which the country is engaged they consider they are best studying the interests of the shareholders in adopting a conservative policy.

Herewith we set out a comparison of the profits and the manner of their distribution for each of the past four years:—

Year ended December 31—	1914	1913	1912	1911
Gross profit .. .. .	£ 371,072	£ 245,584	£ 537,243	£ 214,407
Less: Interest on loans .. .. .	716	1,098	2,775	832
Total .. .. .	371,788	246,682	540,018	215,239
Expenses .. .. .	60,968	59,718	55,422	31,514
Salaries, directors, fees, &c. ..	58,135	45,078	58,603	33,011
Depreciation of plant, &c. ..	19,668	19,563	14,697	2,527
Interest and income tax .. ..	17,500	42,500	42,500	42,500
Preference dividend .. .. .	(7%)	(17%)	(17%)	(17%)
Balance .. .. .	152,117	79,823	370,796	99,218
Ordinary dividend .. .. .	122,269	150,000	149,321	139,084
Reserve .. .. .	100,000	(20%)	(20%)	(20%)
Carried forward .. .. .	69,498	146,727	25,852	69,719

In commenting on the results secured twelve months ago we drew attention to the fact that there was a tendency to distribute profits rather too freely, and that as the future financial position largely depends on the value to be attached to the investment in the shares of the associated companies, it was desirable that some of the profits should be allocated for the purpose of building up the reserve fund. We are, therefore, pleased to note that this year a more con-

servative financial policy has been adopted, and that a sum of £100,000, as shown above, has been added to the reserve fund, though it has meant a reduction in the dividend. As regards the shares in associated companies and the patents, these are taken into the balance sheet at their cost price, namely, £1,360,126, showing an increase of £61,382. This addition is mainly composed of the Company's proportion of the increased capital of the Russian Company. Except for these additions, the holdings in associated companies have undergone no change during the year under review. It may be added that the par value of the shares held in associated companies is shown as £2,469,859, exclusive of shares which have no capital denomination. Formerly the Company showed a share premium account of £767,655 and a general reserve of £100,000. The amount standing to the credit of share premium account has been transferred to general reserve, and with the £100,000 allocated from the profits of 1914 the general reserve will amount to £967,530. Herewith we set out a summary of the liabilities and assets as at December 31 last:—

LIABILITIES.	ASSETS.
Share capital .. .. .	Cash .. .. .
Bills payable .. .. .	Investments and loans .. .. .
Sundry creditors .. .. .	Sundry debtors .. .. .
Reserves .. .. .	Stock at cost .. .. .
Profit and loss .. .. .	Freehold works, property and plant .. .. .
	Expenditure on property, &c. .. .. .
	Shares in associated companies, &c. .. .. .
2,867,892	2,867,892

The report points out that during the current year the Company has been engaged to its fullest capacity in supplying the demands of the British, colonial and foreign Governments, and it is added that the orders in hand justify the anticipation that the volume of business this year will exceed that of any previous year. Moreover, as stated above, note should be taken of the fact that the current year's accounts should include the remuneration to be received from the Government for the use of the Company's high-power stations, no settlement having yet been arrived at. Altogether, therefore, the outlook for the current year seems quite satisfactory, and doubtless the Chairman will be able to deal with the prospects in full detail on July 26th. As already stated, the Preference shares are entitled to a cumulative dividend of 7 per cent., and after the Ordinary have received 10 per cent. to share *pari passu* with them in surplus profits. The £1 shares are quoted at 30s., and on the 7 per cent. basis which prevailed for last year the yield afforded is  $4\frac{1}{2}$  per cent. The £1 Ordinary share stands at 36s. 6d., giving a return on a 10 per cent. basis of  $5\frac{1}{2}$  per cent. While there is a certain amount of speculation attaching to these shares, we anticipate that, assuming a continuance of good management, profits will steadily grow and the dividend be steadily increased, with an accompanying enhancement in the capital value of the shares.

Amount	Description	Per cent.	Price	Dividend	Yield
£ 250,000	7% Cum. Participat. Pref.	1	30	7	4 15 5
1,222,688	Ordinary shares	1	36 6	10	5 15 11

## ENGLISH SEWING COTTON COMPANY.

In view of the general disorganisation of the cotton industry caused by the War, both at home and in the United States, the results secured by the English Sewing Cotton Company for the twelve months to March 31, 1915, though showing a considerable reduction as compared with the previous year, cannot be considered otherwise than satisfactory, especially when it is recalled that the twelve months to March 1914 were, with one exception, a time in which the highest profits were recorded and when the largest dividend was distributed. The net profit shown for the twelve months to March 1914 was £376,366, of which the American subsidiary company—the American Thread Company—was responsible for £200,880. It will thus be gathered that the state of

the industry in America. It is important to the English Sewing Cotton Company as the results of its own trading. The American Thread Company is a combination of thread manufacturers in the United States in which the English Sewing Cotton Company owns the whole of the Ordinary capital. During the twelve months to March 1914 the turnover of the American Thread Company was adversely affected by the general depression in business, and the prices obtained were less profitable. The result is that the net trading profit fell from £441,264 to £331,480, and the dividend on the Common stock from 18 per cent. to 10 per cent.

To show the manner in which the profits of the American Thread Company have varied, we give herewith a statement of the net trading profits before providing for depreciation, together with the dividends paid from its formation:—

American Thread Company's Profits.

Net Trading Profit		Div. %	Net Trading Profit		Div. %
£	1900		£	1900	
1899	112,698	10	1908	254,079	10
1900	274,392	10	1909	245,080	10
1901	254,675	10	1910	549,792	10
1902	167,265	10	1911	499,977	10
1903	245,997	10	1912	296,637	10
1904	315,349	10	1913	345,615	10
1905	249,349	10	1914	113,264	10
1906	305,716	14	1915	331,480	10
1907	357,702	18			

It will thus be seen that very considerable fluctuations have taken place in the American business, with the result that the dividends paid have varied between a minimum of 4 per cent. and a maximum of 18 per cent., while on two occasions it was necessary to pass the dividend altogether. Naturally also the business of the English Company has shown similar fluctuations to those reported by the American concern, inasmuch as both businesses are subject to similar influences. From 1906 on the English Sewing Cotton Company has had a much more prosperous time than it experienced during its earlier years, and dividends gradually rose from 8 per cent. to 13 per cent., a rate which it has been possible to maintain for the twelve months to March 31, 1915, in spite of the fact that the net profits have fallen from £376,366 to £261,528.

The following comparison of the results secured by the combination for each of the past six years plainly shows the prosperous times experienced:—

Year ended Mar. 31 -	1915	1914	1913	1912	1911	1910
Net profits	261,528	376,366	357,621	272,257	299,062	406,545
Depreciation	27,369	27,369	29,151	22,598	22,219	21,877
	233,569	348,831	331,490	249,659	276,852	384,668
Debenture interest, 4%	48,208	48,208	48,208	48,208	48,208	48,208
	195,261	310,523	293,182	211,351	238,544	346,360
Preference dividend	50,000	50,000	50,000	50,000	50,000	50,000
	145,261	260,523	243,182	161,351	188,544	296,360
Ordinary dividend	130,000	130,000	125,000	100,000	100,000	100,000
(13%)	(13%)	(13%)	(12½%)	(10%)	(10%)	(10%)
	15,261	130,523	118,182	61,351	88,544	196,360
To reserves, &c.	—	125,000	125,000	55,000	80,000	160,000
	15,261	5,523	—6,818	6,351	8,544	56,360
Brought forward	105,601	100,078	106,896	100,544	92,000	55,640
Carried forward	120,862	105,601	100,078	106,895	100,544	92,000

Last year after payment of the dividend of 13 per cent. there was a balance of £130,523, which enabled a sum of £125,000 to be added to the reserves. This year after payment of the dividend there is a balance of £15,261, which is added to the carry-forward, bringing it up to £120,862. It will be realised, therefore, that it is not possible to make any addition to the reserves. On the contrary, indeed, one of the reserves has been drawn upon. The investments at cost price stand in the balance sheet at £613,330, while the value on March 31 last was only £577,302. The investments thus showed a depreciation of £36,028, to meet which a sum of £40,000 has been transferred from general reserve to a special reserve account for depreciation of securities. Thus, though the general reserve has been drawn upon, it will be realised that it is in the nature of a book entry merely. The total issued capital amounts to £2,967,271. and against this

there are various assets amounting to £804,784. In addition to which there is the carry-forward of £120,862. The total assets are valued at £4,137,972, of which the properties, less depreciation, stand at £2,563,490. A summary of the liabilities and assets is appended:—

LIABILITIES		ASSETS	
Share capital	2,967,271	Properties, plant, &c.	1,963,490
Debenture stock	112,602	Stocks-in-trade	116,211
Sundry creditors	335,000	Sundry debtors	176,000
Capital reserve	112,602	Investment	60,000
General reserve	335,000		
Other reserves	112,602		
Profit and loss	235,862		
			4,137,972

On the whole it would rather appear that the directors take a fairly hopeful view of the outlook. Otherwise, it is scarcely likely that they would have maintained the distribution in face of the fall in profits that has occurred. The Company's position, however, is quite a strong one, and it is very evident that this has enabled the dividend to be maintained, and unless anything unforeseen should occur it is probable that the current year will be rather more prosperous, and therefore, shareholders will doubtless look forward to a repetition of the 13 per cent. that has been forthcoming for each of the past two years. The price of the Debenture stock is now 91½, as compared with 96½ twelve months ago, and the yield forthcoming is £4 7s. 5d. per cent. The 5% Preference share is obtainable at about 19s., while the £1 Ordinary share stands at 33s. 9d., and on the basis of a 13 per cent. dividend the yield afforded is £8 2s. 10d. per cent.

We recapitulate the net profits, dividends, and yields afforded:—

Amount	Description	Per	Price	Div.	Yld.
957,694	1% 10 M. Debentures	100	91½	4	4 7s. 5d.
1,000,000	5% Cum. Pref.	1	19	5	9 10s.
1,000,000	Ordinary Shares	1	33 9	13	8 2s. 10d.

OUR DISABLED SOLDIERS AND SAILORS.

It is not the practice of THE STATIST to appeal to its readers on behalf of works of benevolence, as this duty is effectively performed by social and religious journals. It is the province of THE STATIST to assist in the creation of income, and to leave to others the work of distributing the income. Nevertheless, an appeal has come to us for assistance from a Society which has for its object the creation of income as well as its distribution, and the work of the Society appears to us to be so beneficent and so essential that we think our readers will pardon us for departing from our usual practice. One of the problems that will be left over from the present War will be how to provide for the great number of soldiers and sailors who will be partially disabled, and who cannot gain a livelihood in the ordinary way because of their physical disabilities. Fortunately, a Society is in existence that is prepared to help the country to solve this extraordinarily difficult problem. The name of this Society is the Incorporated Soldiers' and Sailors' Help Society, of which the King and Queen are the Patrons, and of which the President is H.R.H. Princess Christian. This Society is raising a memorial to the memory of that great soldier, Lord Roberts, by creating workshops for disabled soldiers and sailors, and is anxious to set up workshops in provincial centres all over the kingdom, where gallant men partially incapacitated by the War may be taught different trades and be given employment. The Society pays wages at trade union rates, and the men benefit pecuniarily, as well as morally and physically, from having continuous and healthy employment. In the past 10 years the Society has assisted 200,000 men in various ways, and has taught a trade to a considerable number of men who would otherwise have been unable to gain a livelihood. In his letter to the Editor the Right Hon. Sir Frederick Milner, Bart., states:—

"This War has caused unusual claims to be made on our purses, but I cannot help feeling strongly that those who have borne the burthen and heat of the day have special claims on those for whose salvation they have so nobly fought. It is almost as important to find them work as money. I have visited over 10,000 of these maimed heroes, and it has brought home to me, as nothing else could have done, the necessity and the duty of looking after them. If only all those who have stayed at home, and from whom the horrors of war have been averted by the noble work of these splendid men, will recognise their duty, it should be easy to find the necessary sum to establish workshops in which these wounded heroes may be taught to lead useful lives and be provided with means of earning a livelihood, which must otherwise be denied them. I would implore your readers to come forward generously with donations for this noble work."

Readers who agree should communicate with Sir Frederick Milner, at the Soldiers' and Sailors' Help Society, 122 Brompton Road, S.W.

## New Issues.

### COVENTRY CHAIN COMPANY, LIMITED.

Messrs. Emile Erlanger and Co. have offered for sale this week 70,000 6% Cumulative Preference shares of £1 each at par and 50,000 Ordinary shares of £1 each at the price of 21s. per share of the Coventry Chain Company, Limited, a Company whose business consists mainly of the manufacture of driving and engineering chains and engine parts for motor-cars, vans, lorries, and aeroplanes. It is pointed out that the works are at present fully employed, and they are being called upon to supply large quantities of driving and engineering chains for lorries for firms in England, France, Russia, and Italy. They are also now actively engaged in the manufacture of aeroplane parts, shrapnel shell, and other war materials, and have executed contracts either directly or indirectly with the Admiralty, Civil Service, War Office, India Office, and the Crown Agents for the Colonies. Since the outbreak of war important orders have had to be refused, owing to the lack of accommodation. The Company and a subsidiary are being urgently pressed for the maximum possible output in the shortest possible time of articles required, either directly or indirectly, for the Admiralty or War Office Departments of the British Government and its Allies, and the shares that have been issued forming the present transaction are intended to enable the Company to erect additional buildings and instal further plant. For each of the past two years a dividend of 8 per cent. has been paid on the Ordinary capital, and it is estimated by the directors that the new capital will earn sufficient to maintain the dividend at 8 per cent. on the enlarged Ordinary capital, after providing for the full Preference dividend, this estimate being based on business in normal times, apart from the extra demands caused by the War. The Preference shares appear to be a fair 6 per cent. industrial venture, while the yield on the Ordinary shares at the sale price is about 7½ per cent.

### ASSAM-BENGAL RAILWAY.

The directors of the Assam-Bengal Railway Company, with the sanction of the Secretary of State for India in Council, offer to the holders of the £650,000 Debentures of the Company maturing on August 3, 1915, the option of renewal on the following alternative terms, viz:—

#### Alternative A—

Period	Rate of Interest	Price
1 year to August 3, 1916 ... ..	4 %	99 2 6

#### Alternative B—

2½ years to February 3, 1918 ... ..	4	97 2 6
-------------------------------------	---	--------

This offer will remain open until the afternoon of Thursday, July 29, and the Debentures for renewal must be lodged at the office of the Company, Bishopsgate House, 80 Bishopsgate, E.C., before four o'clock on that day.

UNITED STATES DEBENTURE CORPORATION.—Interim dividend for half-year, less tax, on Ordinary at the rate of 10 per cent. per annum.

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CHAS. WINDETT, Actuary and Secretary.

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The Pure Endowment "Advance" House Purchase Policy.

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M. GREGORY, General Manager.

## COMMERCIAL UNION

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## Commercial.

### COPPER PRODUCTION.

It becomes a matter of considerable importance at the present time to endeavour to analyse the United States statistical position in respect of copper. This is none too easy in the absence of all figures bearing upon the situation, the only known factor being the quantity exported, while production and home consumption are, like the origin of Topsy, "wrought in mistry." The issuing of American statistics was abandoned after the outbreak of the War, the last returns, those for June 1914, indicating an output of

refined copper in the United States in that month, of 63,101 tons; but it is probable that in the latter part of the year production fell to about 55,000 tons a month, or thereabouts. This was the extreme point of the depression, and as matters improved in North America, so output was increased, growing demands finding the market to a large extent denuded of stocks, while the war requirements eclipsed anything which had ever been contemplated. Great stress has been laid upon the extent to which these war demands have been soaking up American copper, but it is quite possible that undue attention may have been paid to this phase, to the exclusion of others—the extent, for instance, to which the cutting off of Central Europe from the rest of the world has affected consumption, and the extent, also, to which production has been stimulated by war needs and by the market manipulation which has been rampant across the Atlantic.

During the years covered by the American Copper Producers' returns the absolute record output was in April 1914, when it was 67,634 tons of refined copper. The January-June output for that year was 372,823 tons, a monthly average of 62,138 tons, while for 1913 the total was 724,305 tons, an average monthly figure of 60,359 tons. There cannot be the least doubt that American output is now up to the top figure, and may confidently be estimated at 65,000 tons a month.

Turning first to exports, it is seen that for January-June of this year they totalled from United States Atlantic ports 135,302 tons, against 219,494 tons last year, while the last month's exports were only 15,751 tons, making an average for the six months of this year of 22,500 tons. This from an output of 65,000 tons leaves 42,500 tons available for American home trade. Now the largest monthly American home-trade delivery on record was 37,546 tons in October 1912, and the next largest was 36,209 tons in May 1913, the average monthly deliveries in 1912 being 30,500 tons, in 1913, 28,550 tons, and in January-July 1914, 24,600 tons. If an average delivery of 32,500 tons be taken, which is 2,000 tons ahead of anything established by the statistics dealing with the matter, there will still be an overplus averaging 10,000 tons of refined copper a month, and this with still growing output.

The foregoing figures, when considered, are good cause for preserving an open mind as to the justification of higher prices for refined copper at the present time. The very serious depreciation of standard copper is exercising the minds of dealers to a considerable extent, and this arises in some degree from the fact that standard copper is almost an unmarketable commodity at present, because of the lack of facilities to treat it. Manufacturers of copper sheets, tubes, and also makers of brass, cannot use standard copper because it is not refined, and there is but a limited market for such material in this country, while its export to foreign plants, where it could be converted into serviceable material, is prohibited.

#### THE PREVALENT CONFUSION.

The many and manifold export restrictions, and the endless departments which veto this, that, and the other trade, are becoming the despair of the merchant community, while what one department vetoes another department permits. Their functions seem to overlap, and not one of the departments concerned appears to be in control of its own business, the result being an appalling state of confusion. The *bêtises* met with are incredible, but unfortunately true. As an illustration, it may be mentioned that one department is to-day refusing to permit tinplates to be shipped to Italy, stating officially that the reason is that "Italy has not declared war upon Germany." The same department, however, before Italy came into the War, was permitting tinplates to be shipped to Italy without let or hindrance. Now that Italy wants supplies urgently this particular department is busy in putting obstacles

in the way. This is only one case, but it could be multiplied indefinitely by almost any export merchant house in the country. One would have thought that export trade would be encouraged, if only for considerations of finance and exchange, but the very reverse is the case, and the irresponsibility rampant in high quarters, and the state of confusion which exists among those appointed to regulate our trade matters, have not been approached in living memory.

#### THE METAL POSITION IN GERMANY.

CONSIDERABLE interest is naturally directed upon the metal-trade situation in Germany, where there can be no doubt that a general upward move in prices is in progress, though it is difficult to obtain concrete particulars. Some metals, such as copper and tin, are undoubtedly standing at fancy prices, even when comparison is made with the extravagant figures ruling here; while the fact that the trade generally is controlled in the country renders the obtaining of quotations a matter of extreme difficulty. According to indirect advices which have reached here, it appears that the German Federal Council regulations of December last, fixing maximum prices of copper, old brass, old bronze, &c., were regarded recently as being no longer in force, but by a decision given to the Dessau Chamber of Commerce the German Imperial Home Office has refuted the assumption. The authority named justifies the price-fixing policy in these words: "If the War Metal Company has sold copper at M.263.60 per 100 kilos., this presents an average price based on domestic copper tendered at the maximum fixed price, and it is also based on foreign copper, which, according to the maximum-price regulations, is only sold at prices considerably higher than those fixed for domestic metal. It would cause a good deal of unpleasantness if one buyer from the War Metal Company were to receive domestic copper at a maximum fixed price, and if another buyer were at the same time to receive foreign copper at materially higher figures." From this it would appear that the profits of the German copper mining and producing companies were being strictly limited according to the maximum-price policy, whereas no limit has been fixed for such material as may be imported into the country from abroad by direct or indirect channels. It may be taken for granted that very little American copper is now filtering through into Germany, and the price fixed for domestic copper (£132 a ton) is enormously in excess of anything current in any other part of the world, and is a testimonial to the effective steps which have been taken to seal all the channels by which metals can enter the country. As bearing upon the general metal-trade situation in Germany, it seems quite clear that the trade has been very badly dislocated by the War and by the commandeering of stocks. In cases where plants could be organised so as to turn out war material things have not been so bad, but in numerous cases industrial establishments have come to a standstill through lack of raw material, and the War Metal Company is only parting with metal where it is required for national purposes. It is stated that the consumption of manufactured copper and brass for ordinary work has ceased, and that iron wire and iron sheets are being resorted to as substitutes.

Private advices bear out the suggestion conveyed in the official statement to which reference is made above, that the official prices fixed apply only to domestic material, for it is asserted that there is still a little business carried on in the open market, where occasionally small lots of metal are offered, the origin of which "cannot be traced," while the prices realised "are, of course, extraordinarily high." Neutral countries seem to be no longer providing any raw material worth mentioning, and when old metal is imported it, with but few exceptions, falls immediately under Government control. It seems to be the general impression, however, that with the still greater restrictions brought into force, and the careful and

methodical handling of the resources, Germany will weather the storm with the supplies already available, and the suggestion that Germany's copper supply will become exhausted through the cutting off of supplies from abroad is flouted as ridiculous. Meantime, the following quotations appear in one of the German industrial papers: Old zinc, M.42; spelter, M.45; lead, M.48; copper, M.160-175—all per 100 kilos.

It may be convenient to set out, irrespective of exchange conditions, a contrast of the prices ruling in Germany and this country for scrap metal, and which after remelting can be used. We should add that the London prices given are only approximate; the grading of some of the quoted scrap metal is so different here that exact comparison is impossible.

Collected Scrap Metal—	Per 100 Kilos Marks	—Approximate—	
		Equivalent in Sterling* per Ton	Price in London
Zinc ... ..	42	£21	£56 to £60
Spelter ... ..	45	£22 10	£66 to £70
Lead ... ..	48	£24	£17 to £18
Copper ... ..	160-175	£80-£87½	£68 to £72

The mark taken at 1s.

## COLONIAL WOOL SALES.

### SOME BIG PRICES REALISED, BUT A DISAPPOINTING FINISH.

Nor for many years have we had so little anticipatory to say about a series of Colonial sales as those which finish to-day, preferring to see how prices went before giving any opinion. Our interest has in no sense subsided, especially at a time like the present, when Colonial wools are so strongly in evidence with the present War. The series began in a most encouraging way; in fact, the results of the first week's sales exceeded our expectations, and throughout we have never been able to understand why good merinos should have advanced often 2d. to 3d. per pound like they have done. Of course, it is very good indeed for the importer and the Colonial grower, but the basis at which wool was selling before the rise paid the grower handsomely, and we think time will ultimately prove that the recent strong upward movement for shafty merinos will turn out to be a mistake. Of course, everybody seems to want something possessing sound combing characteristics, but in view of the heavy stocks which already exist in consuming centres it strikes us forcibly, with finance what it is, that all the wool the trade wants could have been bought at May prices, which everybody appeared to be satisfied with. However, the series are finishing with things lower than the top point, and a brief review of what has been done should prove of advantage to the whole trade.

Let us look briefly at the high values which have been paid for shafty combing merinos. That is really the outstanding feature of the auctions, these wools having maintained their ground better than any, although since Monday prices have slightly declined. Still, excellent figures have been paid, and values higher than those current last July are directly the outcome of the extra demands which the War has created. One can easily understand the present standard of values for crossbreds, and we should not have been surprised if the high prices of the opening week had been maintained; but why merinos should have soared as they have is beyond the comprehension of the majority. However, the facts are worth putting on record for future use, for the coming generations of woolmen will look back to the present period in astonishment when they see that good greasy wool sold in the neighbourhood of 1s. 6d. to 1s. 7d. per pound, and scoured, according to clips and marks, 2s. 4d. to 2s. 9d.

We consider that good, greasy, shafty, well-grown merinos have made an average 10 per cent. advance, compared with the close of the May sales, and good scoureds have also sold exceedingly well, but in estimating the rise in these wools some regard must

be paid to the very big figures paid in May on Russian account.

When we come to crossbreds, the series has been distinctly disappointing. During the first week values were pushed extremely high, and good half-breds have continued to sell all through the series better than any other class of staple; but after the first week prices settled down to a distinctly lower basis, and to-day values are often 1d. below even May, the rise of the first week having been lost sometimes even in fine half-bred wools. Slipes, too, have also depreciated 1d. to 2d., and scoured crossbreds have likewise lost about 2d.

Looking over the course of the series, we consider that when all circumstances are taken into consideration wools have sold quite as well as could be expected. It would have pleased importers in particular if the prices of the first week could have been maintained through the entire series, but that could not be looked for. Considering present and future supplies, we think that to-day's values are high enough to be regarded as safe, and especially in view of the attempt in consuming markets to depress prices. Bradford apparently has turned somewhat weak, and the attempt last week to precipitate distinctly easier prices has been regarded by many top-makers more as a joke than anything else. To find anybody prepared to sell for December at 3s. 4d. is somewhat of a surprise, in view of the limited capacity of machinery to supply the requirements of the home and export trades, but with fine tops being prohibited from being shipped abroad more have recently been available for home use. There is to-day very little agreement between the price of tops and what they are costing, and it will need more than the attempt of one firm to bring these into close relationship. The position generally we regard as safe, but cannot favour in the least any higher values for either wool, tops, or yarns. We know that the Govern-

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ment at present is depending upon the real cause of the present high prices for both wool and its allied products, and, in view of there being sufficient raw material to satisfy present requirements both of Great Britain, her Allies, and America, we think that to-day's values are high enough to be regarded as reasonably safe. We are not looking for any slump after the order of 1900, although a naturally quiet period must be expected after the very buoyant markets of the past three months. It was time to pull a halt, but there is no need for a slump.

## AMERICAN COTTON.

LIVERPOOL, Thursday.

DURING the past 24 hours the market has fluctuated somewhat generally, but prices to-day show only a slight decline from those at which we last wrote. Our closing rates are: July-August, 5.92d.; January-February, 5.37d.; and January, Egyptian, 7.73d.

The ups and downs of the market are not due to any new development in the general situation, but are in the main incidental to the preponderance of buying and selling orders in a narrow market. Last week favourable crop news induced some selling, part of which is supposed to be "bull" liquidation, under which winter months declined below 5½d., the lowest point touched for some time; but at this level some "short" covering set in, which enabled the decline to be recovered. At present the market is supported chiefly by Continental buying, but the volume of business in futures continues restricted, and while the crop progresses favourably there appears to be little inducement for outside interests to invest in cotton at current rates.

With the exception of drought in South-West Texas the crop is doing very well. Accounts from Memphis and the central portion of the Belt are excellent, while Alabama and the East send very favourable reports. In Alabama the boll weevil has appeared and is causing some anxiety regarding possible damage.

The new crop is beginning to cast its shadow over the market, and the question of how it is to be marketed, and who is to carry it, is becoming an urgent problem. The importation of cotton into enemy countries will be prevented by the Allies, and the supply into neutral European countries will be restricted to their requirements. If we eliminate from the list of consumers Germany, Austria, Belgium, Poland, and the North-eastern portions of France, it is evident that from even an only moderate-sized crop a large surplus will remain after satisfying the needs of consumers. Some expansion, it is true, has been noticed lately in American consumption, recent returns showing that American mills used 560,000 bales in June 1915, against 473,000 for the corresponding month last year; but for the season up to the end of June the United States consumption is 5,361,000 bales, against 5,461,000 last year. Even allowing for a considerable expansion next year in the takings of American mills, a crop of about twelve million bales, which seems probable at present, added to the very large visible supply, will be much in excess of consumers' requirements. Unless, therefore, some decided change for the worse should occur in crop prospects, there does not seem any reason to expect an advance from the present level; on the contrary, the indications are for a decline in values under the weight of over-abundant supplies.

On the spot the good demand persists both from the trade and for export. Spinners are beginning to contract for early autumn delivery, and quite a good business for forward deliveries has been done. The better grades with good staple are appreciating in basis, but qualities of inferior staple below middling are pressed for sale, and to effect progress merchants are willing to make concessions in price.

## INDIAN MINES.

**BALAGHAT.**—Capital, £212,500 in Ordinary and £95,500 in Ten per Cent. Preference shares of £1 each. The Preference shares after first receiving 10 per cent. entitled to participate *pro rata* with Ordinary for further dividend, but are non-cumulative.

Yr. ends	Ore Milled Tons	Total Gold Yield £	Working Costs per Ton	Working Profit per Ton	Price of Shares end of Period
Dec. 31 1914	40,440	66,691	52.6	909	5.9
1915.					
Mar. gr. ...	9,687	15,188	—	—	4.3
April ...	3,327	5,471	—	—	6.0
May ...	2,751	4,412	—	—	6.0
June ...	2,931	4,650	—	—	1.9

\* Before deduction of royalty £2,201 in 1914.

† Price of Ordinary shares.

‡ Estimated at £4 5s. per fine oz.

Dividends per cent.—Account 1907, March, 10 on Pref. Nil since.

**CHAMPION REEF.**—Capital £260,000, in shares of 2s. 6d.

Year ends	Ore Milled Tons	Total Gold Yield £	Working Costs per Ton	Total Profit per Ton	Price of Shares end of Period
Sept. 30 1912-13	220,551	510,756	26.6	218,001	19.7
1913-14	216,934	527,500	48.7	225,489	19.7
1914-15					
December gr. ...	54,352	134,300	49.4	—	10.9
March gr. ...	53,113	136,000	51.2	—	11.6
April ...	17,144	46,516	54.0	—	12.0
May ...	16,875	46,491	54.1	—	11.3
June ...	17,974	46,168	52.6	—	11.3

\* Includes yield from accumulated slimes.

† Before payment of royalty (£29,389 in 1913-14).

‡ Estimated at £4 5s. per fine oz.

Dividends per cent.—Total distribution, account 1911-12, 50. Account 1912-13, April, 13½; July, 16½; December, 20. —Total, 50. 1913-14, March, 13½; July, 16½; December, 23½.—Total, 53½. Account 1914-15, March, 13½; July, 16½.

**MYSOORE.**—Capital £305,000, in 610,000 10s. shares.

Year to	Ore Crushed Tons	Total Value of Gold Secured £	Working Expenses per Ton	Working Profit per Ton	Price of Shares end of Year
Dec. 31 1912	(2,000 lb.)	£	Per Ton	£	Per Ton
1912	299,660	904,079	60.4	557,046	37.2
1913	302,662	905,090	59.9	538,191	35.6
1914	304,575	899,498	59.1	536,253	35.3
1915.					
Mar. gr. ...	75,636	222,453	58.10	—	4.5
April ...	24,936	72,065	57.10	—	4.5
May ...	21,600	75,820	61.67	—	4.0
June ...	23,704	71,982	60.67	—	4.5

\* Estimated.

† Includes yield from slimes, not extensively treated prior to October 1914.

(a) Exclusive of royalty (£54,902 in 1914).

Dividends per cent.—Account 1912, 120. Account 1913, 125. Account 1914, 115. Account 1915, June, 35.

**NUNDYDROOG.**—Capital £283,000, in 10s. shares.

Year ends	Ore Milled Tons	Total Gold Yield Value £	Working Costs per Ton	Working Profit per Ton	Price of Shares end of Period
Dec. 31 1912	100,552	330,937	65.0	190,778	37.11
1913	90,650	304,326	67.1	160,228	35.4
1914	89,950	303,551	67.5	158,541	35.2
1915.					
Mar. gr. ...	22,800	78,388	68.10	—	26.0
Apr. ...	7,600	26,388	69.11	—	26.6
May ...	7,800	26,618	68.5	—	25.6
June ...	7,800	26,618	68.5	—	25.6

\* Before deduction of royalty (£19,493 in 1914).

(a) Including slimes, &c.

Dividends per cent.—Account 1912, total, 41½. 1913, total, 35. 1914, total, 35.

**OOREGUM.**—Capital issued, 481,544 Ordinary and 240,000 Ten per Cent. Preference shares; all shares of 10s. each. Preference shares first get 10 per cent., and, beyond, same dividend as paid on Ordinary.

Yr. ends	Ore Milled Tons	Total Gold Yield Value £	Working Costs per Ton	Working Profit per Ton	Ord. Shares end of Period
Dec. 31 1914	154,898	367,082	47.4	190,075	24.6
1915.					
Mar. gr. ...	38,411	92,800	48.10	—	27.0
April ...	13,061	31,004	48.0	—	25.3
May ...	12,914	30,761	47.8	—	25.6
June ...	12,500	30,079	47.11	—	25.9

\* Before deduction of royalty (£21,660 in 1914).

† Estimated at £4 5s. per fine oz.

Dividends per cent.—Total distribution, account 1911 and 1912, 40 on Preference and 30 on Ordinary. Account 1913, 42½ Preference and 32½ Ordinary. Account 1914, June, 17½ Preference and 10 Ordinary; December, 7½ each; March, 10 each. Account 1915, June, 17½ Preference and 7½ Ordinary.

DUNDEE COAL COMPANY.—Dividend of 2½ per cent.

BOURNEMOUTH AND POOLE ELECTRICITY SUPPLY COMPANY.—Interim dividend on Ordinary at the rate of 5 per cent. per annum, less tax.

# MEETINGS OF PUBLIC COMPANIES.

## BANK OF LIVERPOOL, LIMITED.

THE eighty-fourth annual meeting of the proprietors of the Bank of Liverpool, Limited, was held on July 20 at the Law Association Rooms, Liverpool. The chair was taken by Mr. Frederick W. Chance, Chairman of the Bank, and there was a large attendance.

The Chairman said: Gentlemen,—No one who was present at our annual meeting a year ago anticipated that within three weeks this country would be plunged into the greatest war and the greatest financial crisis the world has ever seen. During those three weeks events moved with startling rapidity, and came to a climax at the end of July and the beginning of August.

### The Great Financial Crisis.

The closing of the Paris Bourse was followed by the closing of other Foreign Bourses, and of the London Stock Exchange, for the first time in its history. The provincial Exchanges, the New York and Alexandria Cotton Exchanges, the Liverpool Cotton and Corn Future Markets, and other Markets, also closed. The shock to credit, especially in London, as the world's financial centre, was so acute that exceptional measures had to be taken to prevent a collapse of the entire financial machinery. During the August Bank Holiday, which was extended by three days, the Government, in constant conference with the Bank of England and other banking and financial authorities, devised the measures which were to prove so effective in restoring confidence. The issue of Treasury notes, the establishment of a moratorium, and the exceptional discount facilities afforded by the Bank of England under the Government's guarantee, were the first of a long series of remedial measures. During the weeks that followed the steps taken under the guidance and with the support of Government included the establishment of a scheme for State Insurance of Marine War Risks, a scheme for the reopening of the Stock Exchange, a scheme for the relief of traders, whose means were, for the time being, locked up in foreign debts, and other measures. By all these measures this Bank, and the other banks of the country were in greater or less degree assisted in their efforts to cope with the crisis, and to do their share in carrying on the business of the country. In particular, the knowledge that banks could obtain Treasury notes, should they require them, and could claim the protection of the moratorium in case of need, at once allayed public anxiety. I am glad, however, to say that, so far as this Bank was concerned, we had no occasion to avail ourselves of either of these privileges. On the other hand, we lent money with more than usual freedom, feeling that the only way to deal with the exceptional circumstances was to give exceptional facilities. I am happy to assure you that the confidence thus placed in our borrowing customers was entirely justified.

### Bold and Effective Remedies.

It is only right that I should acknowledge the obligation under which the banks of the country were placed by the courage and ability of the then Chancellor of the Exchequer, and the authorities who assisted him in dealing with the crisis. The situation was unprecedented, and the remedies had to be rapid and bold. Fortunately they also proved efficient. Within a few months the working of the foreign exchanges was, to a large extent, restored, the moratorium brought to an end, and the Treasury notes, instead of being mere paper money, were backed by a large fund of gold. It is true that business is still surrounded by innumerable difficulties, and this will continue to be the case so long as the War lasts, but, considering the magnitude of the struggle, and the fact that the combatants include most of the enterprising commercial nations of the world, we may be thankful that the financial machinery is working as smoothly as it is. It is not time yet to consider what changes, if any, may be required in our financial system to enable us to meet similar crises in the future, but I cannot help wondering whether it will not be possible to keep the Treasury note scheme in existence as an instrument capable of unlimited expansion in time of crisis. This and other questions affecting the financial arrangements of the country will call for consideration when the present international struggle is ended and the lessons of the crisis can be quietly digested.

### Soundness of the Liverpool Cotton Market.

I may be allowed to refer to one measure which closely affected our Liverpool business—I mean the scheme for the reopening of the Liverpool Cotton Future Market. When it became evident that the time for reopening that market had come, it was feared that the reopening would lead to a serious fall in the price of cotton futures, and that the call for payment of heavy differences might cause financial trouble in the market. The case was referred to the Board of Trade, and by the united efforts of the Board of Trade,

the Directors of the Cotton Association, and the Liverpool banks, a scheme was adopted by which the banks undertook to find the money required for differences, the risk being borne to the extent of 50 per cent. by the Government, 25 per cent. by the Liverpool Cotton Association, and 25 per cent. by the banks. Under the protection of this scheme the Market reopened, and it is a most gratifying tribute to the soundness of the Liverpool Cotton Market and the members of the Exchange that in no single instance did any member require to take advantage of the scheme.

### Financing the War.

The financing of the War has had a direct bearing upon the Bank during the past twelve months. In common with other banks of the country, and in the same proportion to our respective resources, we have subscribed for both issues of the War Loan. Our applications amounted to £7,200,000—i.e., £2,400,000 of 3½% Loan and £4,800,000 of 4½% Loan. In addition, we have been takers of Treasury bills. I mention these facts not because I feel that credit should be given to the banks for subscribing, any more than it should be given to other persons who have placed their money at the service of the State, but because I feel that you would like to know that this Bank has not failed in its duty in regard to War finance. The issue of these War Loans has affected every bank by accentuating the depreciation of other investments. Another aspect is that, in so far as the proceeds of the Loans are expended in this country, they find their way back into the banks, and swell the deposits in the hands of the banks.

### The Balance Sheet.

In our own case both these results can be traced in the report and balance sheet which we present to-day. The depreciation of investments has been heavy, and has called, for the first time in our history, for a transfer from our reserve fund to our investment reserve account, but the deposits show a large increase.

### Larger Deposits and Increased Cash in Hand.

At the time of the amalgamation with the North-Eastern Bank the combined deposits of the two banks amounted to £24,500,000. They are now £32,300,000, and I am confident that this growth will continue so long as the Government have to spend the large sums they are spending on war services. When the War is over this inflation of credit will present a sufficiently serious problem, but in the meantime we have taken care to keep our assets as liquid as possible with a view to the unknown future, and have raised our cash in hand, and with the Bank of England and other bankers, to £10,600,000. In this connection I ought to say that we have not thought it right to increase our holding of gold beyond an amount sufficiently ample for all likely contingencies. Your directors feel that this is not the time to add to our own gold reserve, but that the greater public service is to increase the balance which we keep at the Bank of England. Among the other items in the balance sheet the only one calling for remark is that our acceptances, which usually stand at about £800,000 at this time of the year, amount to over £2,800,000. The increase represents transactions arising directly out of the War, and is all covered by undoubted security.

### Profits and Dividend.

With regard to the profits, these amount to about £23,000 more than the combined profits of the Bank of Liverpool and the North-Eastern Bank appearing in their last published reports, and in addition to the profits shown we have applied a considerable sum to the Bank's internal funds. We are thus justified in maintaining the dividend at the same figure as last year. You will notice with pleasure that we have increased our profits carried forward by £29,000.

### Loyalty and Devotion of the Staff.

In another direction the Bank is bearing its share of the War burden. Colonel Reynolds, our late Chairman, and Mr. Neilson, one of the Deputy-Chairmen, were summoned to the Colours on the outbreak of war, and are still with their regiments. We hope the time may not be far distant when they will be able to resume their active duties as directors. One hundred and eighty-five members of the staff, being a large proportion of those eligible for military service, have also joined the Colours. I am sure we must all admire the loyalty and devotion which have led so many to volunteer for military or naval service. Several have been wounded, and six have been killed. I wish here and now to offer a tribute of admiration and respect to their memory. As a result of this movement of men to the Colours our staff was for a time badly depleted, and a great strain was thrown upon those who remained with us. The staff, however, rose to the emergency, and now we have

succeeded in securing the financial assistance we require, including that of a number of City Banks, who are rendering admirable service. Incidentally I may mention that, including allowances granted to men with the Colours, the War has, for the time being, added £14,000 to our annual staff expenses.

#### Abnormal Trade Conditions.

The work of the Bank during the past twelve months has been conducted under abnormal trade conditions. The cotton-importing season was late in beginning, and the prospects at first looked unpromising, but as the season went on importing took place on a large scale, with results, on the whole, favourable to Liverpool importers. Spinners were badly affected by the outbreak of war, and many mills closed down for the time being. Most of them have since resumed work, but many are running on short time. The production of fine counts is proving unremunerative, but coarse counts are yielding good results, chiefly owing to Government orders. Manufacturers of cloth, on the other hand, have to be satisfied with little or no margin, and dyers and printing concerns are seriously hampered by the scarcity of dyes, while the shortage of men in all branches of the textile trade is restricting production.

#### Woolen Mills Working at High Pressure.

The wool trade was at first seriously affected by the War, but in a few weeks Government orders on a large scale completely changed the outlook, and mills have been working at high pressure, and with profit. One of our managers reports that considerable quantities of goods are being produced which were formerly supplied to us by the Continent. The condition of the foreign exchanges has been a cause of considerable anxiety to traders, and the enhanced price of raw material is causing the Bradford trade to require more financing than in normal times.

#### Coal and Iron Trades.

The coal trade in the North-east of England was dislocated for a month or two following the outbreak of war. Since then trade has been good, but hampered by shortage of men, miners having joined the Forces in large numbers. In the neighbourhood of one of our branches it is reported that from 8,000 to 10,000 miners from that district have enlisted. In the iron industry, throughout the whole area shipyards and engineering works are extremely busy, being engaged up to the hilt in working for the Government.

#### The Shipping Industry.

In shipping the past twelve months have been anxious and disturbed. Many steamers have been commandeered by Government, the enemy's mercantile marine has been banished from the seas, and the carrying trade of the world has been conducted with extreme difficulty and risk. Mercantile freights have been high, but this must not be taken without qualification as a measure of shipowners' profits, which are affected by higher working costs and other considerations. The future of the industry seems assured for some time.

#### Provision and Corn Trades.

The provision trade of the Port of Liverpool has shown marked activity during the War, Liverpool being more than ever the chief importing centre for foreign bacon, cheese, meat, canned goods, and other food products. The trade has shown increased turnover, and profits quite up to the average. The course of the Corn market has been affected by numerous influences which make any comparison with ordinary years difficult. It is satisfactory, however, to feel assured that both in regard to the supply of wheat and foodstuffs generally and cause for anxiety on the part of the country is at an end.

#### Agricultural Conditions.

Throughout our area the condition of agriculture is, on the whole, favourable. The hay crop has been light, but rain has come in time to save other crops, and to ensure sufficient grass for store cattle and sheep. Good prices are being obtained for stock and wool. The chief drawback at present is the shortage of labour. To sum up, and speaking for our own area chiefly, commerce is active, and, with some exceptions, prosperous, and has adapted itself in a remarkable way to the unusual conditions of the time.

#### The Acquisition of the North-Eastern Bank.

The amalgamation with the North-Eastern Banking Company has been successfully accomplished, and our thanks are due to all concerned in the amalgamation work for the way in which it was carried through at the height of the war crisis with depleted staffs. Not long after the amalgamation was confirmed by the shareholders we were called upon to deplore the loss by death of Mr. Thomas Bell, the Chairman of the North-Eastern Bank, and Sir Stephen Furness, one of its directors, both of whom were men of conspicuous business ability and admirably qualified to be directors of the Bank. Mr. Hustler was appointed to succeed Sir Stephen Furness as a member of the general board, and Sir John Barwick was appointed Chairman of the North-Eastern local board in succession to Mr. Bell. Mr. J. E. Rogerson was also elected to a seat on the local board. The relations between the general board and the

North-eastern local board are of the most cordial character. A close acquaintance with the business of the North-Eastern Bank has proved it to be as sound and progressive as we anticipated when we brought the amalgamation first before you, and the result which we have presented to you to-day confirms the wisdom of combining the two concerns.

#### The Directorate.

Among the directorial appointments which will be submitted to you to-day there appear the names not only of Mr. Benj. Noble and Mr. Hustler, who were nominated by the North-eastern board as members of our general board, but also of Mr. W. R. Glazebrook and Mr. Allan A. Paton, both of whom are leading members of the Liverpool Cotton Association, and who have already proved valuable acquisitions to the board.

#### Hopes for the Future.

I shall not venture, as Chairmen sometimes do, to forecast the future. The times are so unsettled that we must be prepared for the unexpected, but I venture to express the earnest hope not only that the Bank may prosper during the year, but that by the time our next annual meeting comes round, and long before, the Allied Forces may have won for the world a great victory and a lasting peace.

### DISTILLERS COMPANY, LIMITED.

THE thirty-ninth ordinary general meeting of the Distillers Company, Limited, was held at the Registered Office, 12 Torphichen Street, Edinburgh, on July 16, Mr. W. D. Graham Menzies, the Chairman of the Company, presiding.

The Secretary (Mr. David R. Kelly) having read the notice calling the meeting, the report, which has already been published, was held as read.

The Chairman, in moving the adoption of the report, said: In moving the adoption of the report (which I presume I may hold as read) I claim your indulgence whilst I put before you as briefly as possible the chief events which have affected the working of our business during the past year. First of all I may be permitted to make reference to the loss which the Company has sustained during the past year by the death of Mr. William Brown Robertson. Mr. Robertson joined the board in 1902, and his genial presence as well as his sound judgment are much missed by the members of your board. It has not been thought advisable to fill the vacancy thus caused at present.

#### Increased Cost of Production.

Referring now to the principal events of importance to the Company during the past year, the first in order is, of course, the War—a war which in extent, in virulence, and in cost both of lives and money has no parallel in history. The outbreak of war in August last year fortunately found our Company well bought with grain and raw materials of all kinds, but the disturbance of ocean traffic, with the increased burdens for insurance of war risks, of course added to our costs. One of the main sources of supply for barley and rye is Russia, and several of our contracts for these cereals were at once cancelled, and had to be replaced at greatly enhanced prices from other quarters. The increase in the cost of rye was as much as 113 per cent., and as this enters largely into the elements required for the production of yeast, we were compelled immediately to advance the price of that commodity, which advance is still maintained. In the case of spirits, which we contract to supply over a period of six months at a time, no similar advance was made until from the beginning of this month, when an advance of 5d. per proof gallon was imposed. This should materially assist us to maintain our profits for the current year. The War, however, has been responsible for increases in other directions. Coals are costing us considerably more, wages have increased all round to rates hitherto unheard of, and, with the enhanced cost of all outside repair work, each have their effect on the general results of the year.

#### Patriotism of Employees.

While speaking of the War I must incidentally refer to the splendid spirit both of our staff and our workmen in responding to the call of Lord Kitchener to join the Colours. Altogether about 220 have joined from our Company, and the dependants of such are being liberally cared for at the Company's expense. Many more would have joined, either for foreign service or to assist in the making of munitions, but the directors feel there is a limit beyond which they cannot go if they are to keep running their distilleries, on which the country is so much dependent for the supply of yeast for bread-making and for the supply of alcohol for the production of shells and other munitions of war. Our Managing Director has recently placed this aspect of the case before the new Minister of Munitions.

#### The Immature Spirits Act.

Perhaps the next most important matter affecting our industry was the passage into law of the Immature Spirits Act. Before this Bill was proposed various expedients were put forward by the Chancellor of the Exchequer for dealing with what was spoken of as the "drink question." We now know that much of what was spoken and written about

the slackening in the making of munitions having been due to excessive drinking was greatly exaggerated, and that while the fault was very largely due to lack of proper organisation (now fortunately being remedied), the liquor industry for the time being was made the proverbial scapegoat. The first proposal was to prohibit the sale of all alcoholic liquors during the War, then in kaleidoscopic review the scene changed to prohibition of spirits only, then to a scheme for nationalisation of the whole liquor traffic. Afterwards an attempt was made to crush the industry by imposing double duties, only to be dropped later for a scheme of graduated duties, which in turn was relinquished for the provisions contained in the Immature Spirits Act. So far as this Company is concerned, we have never opposed a measure of compulsory bonding, although your directors think that ample time ought to have been allowed for the members of the trade to adapt themselves to the new conditions. A scheme having that object in view was put before the Chancellor of the Exchequer by our Managing Director, and approved of by all but a small section of the trade; but this was not adopted, and the trade have consequently suffered great inconvenience and loss which otherwise would have been avoided.

#### Increased Value of Whisky.

The new regulations have found the trade very short of the required age of whisky, and the market value of such whisky has accordingly increased by 100 to 150 per cent. Not only so, but the demand for new whisky to lay down for future requirements is more than taxing all our efforts to produce the quantity. Considering the premium which is being freely offered to the fortunate holders of new whisky, some firms who cannot get all their requirements executed are freely stating that distillers themselves are holding up stock. To all such I wish to say that, so far as this Company is concerned, every gallon we are now producing has found a purchaser long before it is made.

#### Policy of the Company.

In this connection it is just as well that I should take this opportunity of explaining that while the staple trade of this Company is the production and supply of whisky for potable purposes, our usefulness by no means stops there. For the last 30 years it has been the policy of this Company to spread its risks, so that failure in any one direction should not unduly affect the profits earned. Following out this policy, we have built up a large industry in yeast, which is used in the baking of bread, and at the present time we are every week sending large supplies of this commodity to France and elsewhere for the use of the British Expeditionary Force.

#### Spirits for Industrial Purposes.

Another branch of business which we have cultivated, and which is likely to extend as time goes on, is the supply of strong spirits for industrial purposes. At the moment, as you may be aware, alcohol is playing a very important part in the production of high explosives, and the demands made upon us for this spirit at the present time are very heavy. Although the price obtained for this spirit is less than what we receive for potable spirit, we consider it so essential in the country's interest to keep this trade fully supplied that we may still find it necessary to curtail the quantities we had already allotted for whisky purposes. There are, however, many other purposes for which alcohol, and the products of alcohol, are, or may be, required, and your directors are ever alive in watching for new developments of the industry.

I would again like to tender, in the directors', as well as in your name, our warmest appreciation of the work performed during the past year by all branches of the Company's service. While so many have joined the service of the Crown, it has naturally thrown an increased burden upon those who are left behind, and such services are well worthy of our recognition.

#### Dividend.

With these remarks I now beg to move the adoption of the report, which provides for the payment of the usual 5 per cent. dividend on the Preference shares, and a final dividend of 12s. per share (making 10 per cent. for the year, free of income tax) on the Ordinary shares, and for carrying forward the balance of £25,139 to next year.

This was duly seconded, and carried unanimously.

Messrs. W. D. Graham Menzies, James Duff, and Archibald Walker were re-elected as directors, and Messrs. Moores, Carson and Watson, C.A., reappointed auditors.

Mr. J. B. Fergusson moved that the Company subscribe, through the Scottish Licensed Trade Defence Association, the sum of £500, to defray the cost of providing and furnishing a motor-ambulance waggon for use of the Red Cross Society.

Mr. William Johnston seconded, and the motion was unanimously carried.

The proceedings terminated with a vote of thanks to the Chairman.

#### ANCHOR LINE, LIMITED.

THE annual meeting of the Anchor Line (Henderson Bros.), Limited, was held at the Law Association Rooms, Cook Street, Liverpool, on July 21. There was only a small attendance. Mr. A. A. Booth, Chairman of the board, presided.

The Chairman, in moving the adoption of the report and statement of accounts, said: I do not propose to make any speech at all to-day. I have no information to give you beyond what is contained in the report, but I do want to express on behalf of the directors our thanks to the Managing Director, Mr. A. C. F. Henderson, for the unselfish way in which he has devoted himself to the Company's interests during the past very trying year. (Cheers.) He is laid up at the moment, having taxed himself a little too much, but I think he will be all right again very soon, although I know it is almost impossible for him to restrain his energies when he feels that the Company's interests are at stake. We also wish to thank every member of the staff for the way in which they have responded to the extra work that has fallen upon them.

#### Warm Thanks to the Staff at Sea.

With regard to the staff at sea—the captains, officers, engineers and crews—our thanks are even warmer, because at present every time they go to sea they are risking their lives in order to keep going the overseas trade of this country, upon which our lives absolutely depend now. I beg to move “that the report of the directors and statement of accounts for the year ending April 30, 1915, be hereby received and adopted, and that, as recommended by the board, a dividend of 10 per cent. on the Ordinary shares and a bonus of 5 per cent. on the Ordinary shares for the year ending April 30, 1915, are hereby declared upon 25,000 Ordinary shares of £10 each, payable, free of income tax, on and after the 31st inst.”

Mr. Francis Henderson: I have great pleasure in seconding the adoption of the report.

The motion was adopted.

#### Re-election of Directors.

Mr. Francis Henderson: I have a very pleasant duty assigned to me, that of moving the re-election of Mr. A. A. Booth as a director of this Company. I have been intimately associated with the Anchor Line for a great many years, and I have had every opportunity of judging of the advantages that have accrued to the Company from the association of Mr. Booth with the fortunes of the Anchor Line. Since Mr. Booth became its Chairman there is no doubt that the Anchor Line has attained to even greater prosperity than ever before, and it would be a source of great regret if circumstances should ever arise which would prevent us having the advantage of Mr. Booth as one of the directors. (Hear, hear.)

Mr. Clark: I second the motion.

The resolution was approved.

Mr. Francis Henderson: I propose the re-election of Mr. Fred Graham as one of the directors of the Company. Mr. Graham is more particularly interested in the Indian department of the business, and the extraordinary acquaintance he has with the Indian business in all its phases, and his knowledge of the state of affairs in Bombay and Calcutta, has been of invaluable service to the Company in the past.

Mr. Clark: I second that.

The motion was approved.

Mr. J. G. Rees: I move the re-election of Messrs. McClelland Ker and Company as auditors for the year.

Mr. Nelson: I second the resolution.

The proposition was adopted.

Mr. Berson Crook: I have pleasure in moving a vote of thanks to the Chairman for the able manner in which he has presided over the meeting.

Mr. Francis Henderson seconded the motion, which was carried with acclamation.

#### ARGENTINE IRON AND STEEL, LIMITED.

THE third ordinary general meeting of the Argentine Iron and Steel Company (Pedro Vasena é Hijos), Ltd., was held on July 19 at Winchester House, E.C., Mr. Charles Lock (Vice-Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Up till August of last year the Company's business had been restricted by the general depression, and showed no improvement, either in volume or in selling prices, compared with the last few months of the preceding financial year. This covered a period of something over five months of the year under review. Immediately on the outbreak of the War conditions became very difficult, and orders at once fell off. While the business for the first half of the year was done on the basis of the low prices which necessitated the reduction of capital, business done during the second half of the year, owing to the rise in prices alluded to, was on a more remunerative basis. On the whole, we consider that the result of the year's trading is not unsatisfactory. With the substantial economies effected, both in working costs and reduction of interest and bank charges, and the writing down of stock, combined with the improvement in selling prices, a trading profit is shown of £102,191, and this after writing off the

Trade Mark.

payable to the Ordinary shareholders, but feel sure the shareholders will agree that the wiser policy is to build up the resources of the Company and to strengthen its position so far as is reasonably possible. Just now we are doing very well, but no one can tell what, under the conditions now obtaining, the future may have in store for us.

Mr. Hubert S. Ashton seconded the motion, which was carried unanimously.

### INTERNATIONAL TEA CO.'S STORES, LIMITED.

The annual general meeting was held on July 22 at Winchester House, Old Broad Street, E.C., Mr. G. A. Tonge (one of the governing directors) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—It is very satisfactory to me to be able to meet you again with another record both in trading and profit. You may, perhaps, remember that last July I had to tell you that the profit was £34,672 in excess of the previous year, and considerably more than that of any other year in the Company's existence. I am now glad to be able to report a further advance of £33,613. The total to be dealt with, including the amount brought forward from the previous account, is £198,041 12s. 7d. This enables us, after paying the Preference dividend and charging directors' and auditors' fees, to depreciate our fittings and fixtures by £30,000, to place £40,000 to reserve, to pay 10 per cent. on the Ordinary shares, and to carry forward £17,323 18s. 6d. into the current year's trading. This is over 3 per cent. on the Ordinary capital. I may say that this result has been arrived at in the face of very great difficulties and anxieties. On the whole the trading at our various branches has been satisfactory. Some seaside towns suffered last summer and I am afraid are doing so this through a scarcity of visitors. Perhaps this is owing to people not wishing to go away in troublous times, but, on the whole, I think it is more likely due to the decreased facilities now afforded for travelling. I ought, perhaps, to add that others of the branches have benefited to some extent owing to soldiers being billeted on our customers. The general improvement in our profit is due, however, to the development of our factories and to the increased number of goods we dispose of of our own manufacture. I cannot but think that this general improvement will continue, though, as I have always been careful to add in the past, we may get occasional set-backs. Turning again to the balance sheet, you will notice our creditors and secured loans are rather larger than usual, but this is owing to the fact that nearly all the goods we deal in (tea, sugar, butter, bacon, and all sundries) are 30 per cent. higher in price than when the previous balance sheet was struck, and, on the other hand, you will see that our stocks and debtors are also proportionately enhanced. I would like to add that the greater part of the huge increase in the value of the stock has been provided for out of the undivided profit left in the business. Our reserve account now stands at £377,000, and is surely, if slowly, approaching the amount of our goodwill.

Mr. F. Drowley seconded the motion, which was carried unanimously.

### MOLASSINE COMPANY, LIMITED.

The annual general meeting was held on July 23 at the offices of the Company, Tunnel Avenue, East Greenwich, S.E., Mr. John Prosser (managing director) presiding in the unavoidable absence of Mr. B. Horton.

The Chairman said: Dealing first with the balance sheet, there is not much change in the debit side, except that the Mortgage Debenture stock has been reduced by £3,000 in accordance with the conditions under which the Debentures were issued, and the loan from bankers has been reduced from £25,270 to £22,307. On the credit side the plant and machinery shows a slight increase of £285. The sundry debtors show an increase of £8,218, which is not so large an increase as appears, as last year we had bills receivable £4,794, against £315 at the present time. Our shares in other companies stood at the end of last year at £8,292. These shares are held in companies formed in Canada and America for the purpose of selling the Company's goods. As you are aware, commerce in Canada has been in a very bad way, and, as owing to the War we had to stop shipping to Canada and America, we thought it policy to write down our share capital in these companies by half, so that they now stand at £4,656. Although we have thought it in the interest of the business to do this, we still recognise that we have a valuable asset in goodwill and connection in both these countries. The value of our freehold poultry farm at Twyford has been increased by £421. This property is a very important one, and is a splendid asset and advertisement. You will notice that the adverse balance at the end of last year in the profit and loss account has been reduced by £4,504. We are naturally disappointed at the result of the year's trading. A year ago we entered into contracts for the supply of raw materials at exceptionally low prices, and in the ordinary way should have had a most profitable year. Unfortunately the War came upon us with great

suddenness and all our hopes were dashed to pieces. Our supplies were cut off, and it has been with great difficulty we have been able to do the amount of business we have. So that, although the profits are small, the result is even better than could have been anticipated last August. When war was declared we took all necessary steps to go through the crisis on the best conditions possible by economising in every direction, and we see no reason why we should not go through the period of the War without the Company's interests being any further endangered. It has been a great disappointment to us, after working up for some years a good connection for molassine meal in Canada and America, and with complete organisation in those countries, that we have been compelled for the present to stop shipment. The meal is, however, popular, and from the inquiries now being made we are of opinion that when we can resume shipments we shall still benefit by the goodwill created. We have had a very large demand in this country for molassine meal, but unfortunately, for reasons already explained, we have not been able to supply to the full extent. We have every reason to believe that when the War is over and we are able to resume business on normal lines the Company will have a successful future. A number of our men have enlisted and we are adapting ourselves to the changed situation, and are supplying soldiers' rations to the War Office at the present time. I now beg to move the adoption of the report and balance sheet as presented.

Mr. W. A. Owston seconded the resolution, which was carried unanimously without discussion.

Mr. H. Goodman proposed the re-election of Mr. W. A. Owston as a director.

Mr. E. C. Jobson seconded the motion, which was carried.

Mr. R. Allen moved that Messrs. Cooper Brothers and Company be re-appointed auditors.

The Rev. W. H. Kelshaw seconded the motion, which was unanimously adopted.

### UNION COLD STORAGE COMPANY, LIMITED.

The eighteenth ordinary general meeting was held at Winchester House, Old Broad Street, on July 23, Mr. Roger P. Sing presiding.

The Chairman said that it was a very great satisfaction to the directors to be able to report a continuation of the steady and unbroken progress which had been maintained year by year since the Company was incorporated nearly 20 years ago. The year 1914 showed results far in advance of those of any previous record, but for the first time they had had in the year under review the use of the £1,300,000 new capital which was issued in 1913. The increased earnings shown for 1914 were not due to the War, the six months ended June 30, 1914, showing a larger increase than the latter half of that year as compared with the corresponding periods of the previous year. In spite of the exceedingly keen competition wherever the Company was established and the many troubles which had existed since last August, their business was never in a more satisfactory position than it was to-day. It was a comfort to reflect that their troubles had generally in the end proved blessings, so beneficial had the effect proved of the efforts they had been compelled to make to overcome them. The balance of the working accounts for the last five years was as follows:—1910, £104,322; 1911, £111,152; 1912, £133,225; 1913, £143,586; and 1914, £253,675. After paying Debenture interest, the 6% Preference dividend, the 10% 'A' Preference dividend, and the other usual fixed charges, the directors had put aside out of earnings £40,481 for depreciation, and £36,878 had been written off capital issue expenses account. They had on account of reserve purchased and cancelled £44,140 Debenture stock, making the total redeemed to date £232,887. They had also reduced the specific mortgages during the year by a further sum of £6,000, making a total now paid off of £27,000. There remained on revenue account an available balance of £67,878, and the directors now recommended the payment of a dividend of 10 per cent. per annum on the 300,000 Ordinary shares for the year 1914. There would then remain a balance on revenue account of £37,878 to carry forward to 1915, against £36,878 brought in from the previous year. The Company was to-day doing at home and abroad valuable work for the Government and our Allies in the storing and handling of food supplies. During the past year they had lost the services for the time being of quite a large number of their permanent staff who had joined the Forces, and the Company was contributing thousands of pounds in order that they and those who depended on them might be no worse off financially than if they had remained at work. With regard to the year 1915, the results to date justified him in taking the view that the accounts for that period were likely to show progress in keeping with the Company's past records. After warmly commending the services of the staff in all parts of the world, he concluded by moving the adoption of the report and balance sheet.

Mr. Thomas B. Horsfield seconded the motion, which was carried unanimously; and resolutions were passed approving the dividends mentioned and re-electing the retiring directors and auditors.

**ZAMBESIA EXPLORING COMPANY, LIMITED.**

The ordinary general meeting was held on July 23 at Winchester House, E.C., Mr. C. F. Rowsell presiding.

**The Accounts.**

The Chairman, in moving the adoption of the report and accounts, said: Dealing first with the accounts, the profit and loss account shows this year a profit of £8,170, which, added to that carried forward in past years, gives us a profit to date of £259,802. I must at once admit that it is very tantalising to see a profit on your balance sheet of so large an amount which would enable a very substantial dividend to be paid upon your shares at a time when, owing to the financial position, it is quite impossible to make any division. It is, however, so clearly in the best interests of your Company that the policy which has been adopted in the past years of financing the Tanganyika Company up to the time when that Company begins to participate in the profits of the Union Minière du Haut Katanga and the other undertakings in which it is so largely interested should be continued, that I feel no excuse is required for our having done so. I shall deal presently with the financial position, and I hope to be able to satisfy you that the time when we shall cease to have to consider so seriously the questions of finance is rapidly coming to an end, and we shall be in the more happy position of having to consider the question of profits and their division amongst the shareholders.

**Effect of the War.**

I do not think I need refer in detail to the balance sheet. When I addressed you on July 22 last year I placed before you certain figures with reference to the question of dividend. I need hardly say that on that day I had not a dream of suspicion that before a fortnight had elapsed this country would be at war. If I had I do not think that I should have ventured to have placed before you the figures showing the great possibilities of this Company, in respect of dividends, which I then did; but, although the War has dislocated business in a manner which is absolutely unprecedented, owing to the steps which were taken by the Union Minière Company, when it became clear that the communications between Brussels and London would be entirely closed, the business of that Company has been carried on without a break, and it is a remarkable fact, and one upon which your Company is to be entirely congratulated, that the output of copper is rapidly increasing, and next year will almost reach the figures upon which the estimates which I placed before you last year were based. It is true that, owing to the fall in the price of copper immediately after the declaration of war, the cause of which it is difficult to understand, the earlier profits of the Union Minière did not equal our anticipations, but the price of copper rapidly rose again, with the result that our profits per ton of copper are well up to the estimates which were then made.

**A Benefit to the Country.**

Not only are we to be congratulated upon the fact, but I think we are also carrying out a work which is of great benefit to the country, because we are sending to London, thanks to the supremacy of our Navy, about 1,400 tons of copper a month at the present time. I do not propose to enter into any more detail with regard to the position of the Union Minière Company, because, as is usual, Mr. Williams will deal with this fully in his speech to you; but I feel that I can again, with even greater confidence, remind you of the facts upon which I relied in estimating the possibilities of this Company as to dividends in the future.

**The Company's Chief Interests.**

If you refer to the schedule attached to your report you will see that this Company owns £1,048,420 Benguella Railway Company 5 per cent. Debentures, 172,559 Tanganyika Concessions shares, and 11,000 Union Minière Haut Katanga shares. Now, the income on the Benguella Debentures would amount to £52,421. I estimated last year that the Tanganyika Company's share in the Union Minière earnings would be in the region of from £400,000 to £500,000 per annum, when seven furnaces were working—an estimate which I still think is a conservative one. After payment of the Debenture interest of the Tanganyika Company, which takes £110,000, there will be a fund of £300,000 to £400,000 available for distribution amongst the shareholders of Tanganyika Company. This would give the Zambesia Company approximately £70,000. On the 11,000 Union Minière shares on the same basis you would receive £44,000. Taking these three figures together you get a total amount of £166,421 available for dividend, which I think, on an issued capital of £684,000, makes a very satisfactory showing. I can only again remark that I think to be able to take figures like these, confirmed by our actual production during the continuance of the War, assures us that as soon as the War is over the period of prosperity for our Company will have arrived, and we shall not have to look back any more, but progress straight forward to the division of substantial profits.

Lord Arthur Butler seconded the motion.

Mr. Robert Williams then repeated the statement which he had made earlier in the day at the meeting of the Tanganyika Concessions, and the motion was unanimously adopted.

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*Hon. President Glasgow Committee:*  
The LORD PROVOST OF GLASGOW.

*Hon. President Manchester Committee:*  
The LORD MAYOR OF MANCHESTER.

*Patrons Liverpool Committee:*  
The LORD MAYOR OF LIVERPOOL.  
The EARL OF DERBY.

*Hon. Treasurer:* EVELEIGH NASH, Esq.,  
Berkeley Hotel, Piccadilly, London.

Bankers: THE RUSSO-ASIATIC BANK,  
64 Old Broad Street, E.C.

**TANGANYIKA CONCESSIONS, LIMITED.**

The ordinary general meeting of this Company was held on July 23, at Winchester House, E.C., Mr. C. F. Rowsell presiding.

The Chairman, in moving the adoption of the report and accounts, said that the result of the year's working was that they had a debit of £136,825 on profit and loss account. The cause of this was that up to the present they had not received any return from their investment in the *Minière du Haut Katanga Company*, while they had had to pay £111,352 in interest on Debentures. They had debited this deficit to premium on shares account, and still had a balance on that account of £300,100. This meant that so soon as they began to receive from their investments the big return which they anticipated there would be no debit balance to be wiped off before an immediate distribution of earnings could be made. With the assent of the Debenture-holders and the sanction of the Court they were postponing the payment of further interest on the Debentures until the expiration of six months after the conclusion of the War.

Mr. Tyndale White seconded the motion.

**Mr. Robert William's Speech.**

Mr. Robert Williams, in the course of his speech, said: With regard to the *Union Minière Company*, which is our chief mineral interest, I will give you the following particulars of its progress from the reports of Mr. Horner, the General Manager of that company, and others. Active mining work has during the past two years been carried out on Kambove, Luushia, and the Star of the Congo mines, and on the Musoshi iron deposits for ironstone flux. The total ore and flux mined in 1914 amounted to 360,000 metric tons, which was more than double the quantity (170,000 metric tons) mined during the previous year. The cost of ore on trucks at the mines is being gradually reduced. The costs at present average as follows:—

Kambove about 4s. 5d. per metric ton,  
Star about 6s. 10d. per metric ton.  
Luushia about 7s. 8d. per metric ton.

The improvement in mining costs will continue as the exploitation progresses and the low-grade treatment schemes come into operation, and it is estimated that the high-grade ore at Kambove should not cost more than 2s. to 2s. 6d. per ton, and the low-grade ore about 1s. 3d. per ton on trucks at the mine by the end of 1917.

**High-grade Copper Ore Reserves.**

The ore reserves and stocks already opened up above the present working levels at Kambove, Luushia, and the Star mines, as estimated for the end of 1914, amount to a total of 6,026,500 metric tons, while the approximate flux reserve estimated for the Star and Musoshi amount to about 900,000 metric tons. Of the ore reserves estimated above about 20 per cent. of the total is direct smelting ore of about 15 per cent. copper average, while the balance is low-grade ore of about 7 per cent. average. Some 25 per cent. of this balance will, when subjected to concentration, yield concentrates of about 18 per cent. copper, which, added to the direct smelting ore, will give 1,600,000 metric tons 15.5 per cent. smelting ore, and 4,400,000 metric tons 6 per cent. low-grade ore, the average grade being over 8½ per cent. copper. The work of investigating the reserves below the water-levels on the Star and Luushia mines is being pushed ahead as the mining progresses; at Kambove also the investigation of the reserves in the next 100 feet below the adit-level (which is some 135 feet above the bed of the dry Livingstone creek) is being continued, and it was on this section of the mine that Mr. Gibb, as the result of his preliminary drilling work, estimated that there was some 3,000,000 metric tons of ore similar to that in the superficial part of the deposit. Arrangements are being made to open up the Likasi and Chituru mines, which are close to the line of railway joining Kambove to the smelters. Mr. Adams in 1903 estimated that some 700,000 metric tons of 13 per cent. average ore had been exposed in Likasi. Besides the mines already being exploited, there are, as you know, at least some 150 copper deposits of importance (without including the mere copper prospects which have been located), and 10 of the most important of these on which preliminary work had been done were in 1907 examined by Mr. Atherton, who made the following estimates for them:—

Ore in sight	...	...	...	7,300,000 tons 8.6 per cent. ore.
Ore in prospect adjoining last	...	...	...	8,100,000 " 8.6 " "
Possible ore extensions	...	...	...	7,100,000 " 5.6 " "

and it has also been estimated by Mr. Studt that the probable ore on the whole of the Katanga mines above the water-level is well over 40,000,000 tons, averaging some 8 per cent. of copper.

**Copper Output and Cost of Production.**

The extension of the smelting plant is being continued. Two new furnaces will be erected this year; and two further ones next year; these new furnaces are longer than the present type, and are estimated to have a smelting capacity one-third greater than the present ones in use, so that the completed seven furnace plants should have a capacity of

1,000 metric tons of high-grade ore daily and an annual output of over 40,000 metric tons of metal and matte. The present ore and flux reserves opened up at the Star, Luushia, and Kambove mines estimated for the end of 1914 will keep this plant supplied, according to the present programme, to about the middle of 1920. The gradual improvement in smelting costs and smelting conditions is very satisfactory, as shown by the following figures:—

	1912.	1913.	1914.
Furnace days worked	171	445	671
Charge per furnace day	178 M.T.	193 M.T.	212 M.T.
Total charge smelted	30,280 M.T.	87,800 M.T.	143,670 M.T.
Total output	2,510 M.T.	7,410 M.T.	10,720 M.T.
Average cost per ton fuel	£9 13s. 6d.	£5 17s. 6d.	£4 9s. 6d.
" " flux	15s. 6d.	9s. 2d.	8s. 11d.
Average cost of output at smelter	£47 12s. 0d. per M.T.	£30 18s. 6d. per M.T.	£29 12s. 10d. per M.T.

The successful carrying on of the exploitation of the Katanga copper deposits is largely dependent on the development of the scheme for low-grade ore treatment. The large amount of work being done in various copper districts on the electrolytic leaching treatment of such ores and the results of our own work in this direction in Katanga promise a very interesting future for our mines. It may be pointed out that the product resulting from this treatment is "electrolytic copper," which commands the highest price on the market, and, moreover, this treatment does away with many of the difficult problems attendant on the smelting of ores, and will also probably considerably reduce the labour requirements compared with smelting. Mr. Wheeler, who is a very renowned and experienced engineer of long standing, is now out in Katanga for the purpose of working out the details of the low-grade ore treatment, and we may have every confidence in the results which he will put before us.

**Effects of the War.**

The War has certainly delayed our programme of mineral and railway development, and although we have not made the profits for the *Union Minière Company* which we had calculated on for 1914, we are doing very well this year as the result of the rise in copper, and, although my plans for the immediate financing of the Benguela Railway have been upset for the moment by the War, still I consider they are only delayed, as the Portuguese Government and the Belgian Government and banks are working in complete accord with us, and the success of the Katanga Railways and Minerals is bound up in the construction of the Benguela Railway, and even this War has already done one good thing for us,

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thanks to General Botha it has come away with German South West Africa, and the rest is all wiped out. I believe the German schemes to take the Portuguese Angola, the Benguela Railway and Katanga Minerals, and I hope the British Government will have taken what was German South West Africa in its entirety to the Union Government, in return for the magnificent loyalty shown by our South African colonists.

#### The Outlook.

You will have noted the steady increase in the yearly production of copper by the Union Minière Company, from 997 tons in 1911 to 10,722 tons for 1914, and 6,900 tons for the first six months of 1915. We estimate the total production for this year at something over 14,000 tons, and for 1916, 25,000 tons, and for the following years 40,000 tons per annum. This production will be from the high-grade smelting ore only. Had there been no war the production would have been at the rate of 40,000 tons per annum, with seven furnaces at this date, and we would have received an amount from the Union Minière Company by way of dividend, which would have partly, if not entirely, met the amount we have debited ourselves with in our balance sheet to pay Debenture interest. The delay is regrettable, but quite unavoidable, in face of the many difficulties we have had to contend with. The profits of the Union Minière Company for 1913, as shown by the balance sheet of that company, were £116,400, of which £96,000 was placed to a reserve fund until we had fixed some basis for writing off depreciation on plant. The books of the Union Minière Company cannot be made up yet for 1914, but we estimate the net profit for that year at £90,000, which cannot be considered bad in face of all the circumstances. For the first six months of 1915 the net profits are about £180,000. In other words, the total profits of the Union Minière Company are estimated up to date at £366,000, and are being increased monthly at the rate of £25,000 to £35,000.

I give you these figures to show that at the present date, if the accumulated profits of the Union Minière Company, already earned, were divided, after allowing a fair amount to be written off for depreciation, our Company's proportion would be more than sufficient to meet all the interest we owe on Debentures. This is being earned by two furnaces running steadily, one being used as reserve. From January next, with two extra furnaces of larger capacity running, our proportion of the Union Minière profits should be sufficient to pay our Debenture interest and leave a good amount available for dividends. The whole seven furnaces should be completed, and producing at the rate of 40,000 tons of copper per annum, during next year, when the profits will again be largely increased, and if copper keeps anywhere near its present price the accumulated profits of the Union Minière Company should be about £1,000,000 sterling by the end of 1916. Now, these results will be obtained from our high-grade 15 per cent. smelting ores, which represent from 20 to 30 per cent. of the ores in Katanga, the other 70 to 80 per cent. being composed of the lower-grade and more siliceous ores, averaging about 6 per cent. Mr. Horner, the General Manager of the Union Minière Company, who has recently returned from Katanga, tells me that as a result of the exhaustive leaching and other tests which he has been making for some time on these ores, he has no doubt he can treat them at a good profit. Just as steadily as the Katanga copper fields have developed, and the knowledge of their great wealth has increased, I have had a steady increase of approaches from outside financial groups to join in our enterprise, but I personally hope and trust the great copper industry of Katanga will remain in the hands of the Belgians and British, who have worked hand in hand through storm and stress to bring it to success, and in doing so have stretched railways over almost all the slave routes of that part of Africa, bringing civilisation where, according to Livingstone, Stanley, and Cameron, barbarism and slavery at one time reigned supreme.

The report and accounts were unanimously adopted.

#### BRITISH ELECTRIC TRACTION COMPANY, LIMITED.

An extraordinary general meeting was held on July 23 at the Holborn Restaurant, Holborn, W.C., for the purpose of considering the scheme of reduction and rearrangement of capital.

Mr. Emile Garcke (Chairman of the Company) presided, and, in moving the resolutions, briefly outlined the scheme. The assets of the Company, he said, stood in the books at £5,056,000, and the proposition was to write off £908,000. The Debenture stocks were not affected by the scheme, while the capital of the Preference stocks was not to be reduced, but to be rearranged. The reduction of capital fell entirely on the Ordinary stocks—50 per cent. was written off the Preferred Ordinary and 70 per cent. off the Deferred Ordinary. As to the Income Certificates, it was proposed to exchange those for 35 per cent. of their nominal amount of capital stock. It was then proposed to convert the four classes of stock and the Income Certificates into two classes, Preference and Ordinary. As a result of the reduction of capital it was hoped that the

Ordinary stock would at once become dividend yielding, a fact which would also advantage the holders of the new Preference stock, as the market value would improve. The holders of the existing 6½ per cent. Preference stock would receive an amount of new Preference stock equal to the present holding, while the 7½ per cent. Non-cumulative stockholders would receive 35 per cent. of their holdings, and the holders of Income Certificates 10 per cent. of their holdings in the new Preference stock. As to the new Ordinary stock, the 7 per cent. Non-cumulative Preference stockholders would receive 65 per cent. of their holdings, the Preferred Ordinary stockholders 50 per cent. of their holdings, the Deferred Ordinary stockholders 20 per cent. of their holdings, and the holders of the Income Certificates 25 per cent. of their holdings. A few stockholders did not consider that the scheme was satisfactory from the point of view of one or other of the separate classes, but they had to consider the subject in its broad aspects. Last July he explained that, unless they reduced the capital, it would be impossible to pay substantially increased dividends, and he also pointed out, then why a simple reduction applied equally to the four classes of stock would not meet the case. There was no doubt, also, as to the advisability of dealing with the matter at once rather than postpone it. For some years to come all industrial companies would be confronted by exceptional difficulties, and it would be a great advantage to the Company and to its stockholders if profits became available for dividend or to strengthen the credit of the Company. If they wrote off the lost capital, the new profits would appear as so much to the good, and at a time when everyone would be more in need of profit than before. To be on the safe side, the board had recommended them to write off £900,000. The market depreciation of their capital stocks, it was true, was about £2,000,000, but that market depreciation was the result of two factors—depreciation in the value of their investments and insufficiency of profits. By enabling the Company to pay dividends on the reduced capital, they would in due course recover that part of the market depreciation which was due to their not paying adequate dividends on the existing capital. As dividends increased, they hoped in time to remove the whole of the market depreciation. At the moment it was difficult to look into the future, otherwise he would have no hesitation in promising a complete recovery of their loss to those shareholders who were courageous enough to increase commensurately their holdings in the Company at the low prices now prevailing. The Chairman added that proxies had been received from stockholders holding between them from £8,000 to £9,000 against the scheme, whereas, on the other hand, proxies representing something like £1,200,000 had been received by the board in its favour. He concluded by moving the adoption of the resolutions in accordance with the notice convening the meeting.

Mr. Alfred Shepherd seconded the resolutions, remarking that, having regard to the complicated nature of the various stockholders interested, the scheme as a whole was a good and reasonable one.

After some discussion, in the course of which Mr. Bennett objected to the scheme as unduly favouring the junior securities at the expense of the Preference stocks, the resolutions were carried by the necessary majority.

#### MINES.

**ABBONTIAKOON.**—Issued capital, £625,457 10s., in 10s. shares. Loans remaining to be cleared off about £20,000. Crushing recommenced July 1914, with new plant of 25 stamps and two tube mills.

Year ends	Tons	(Gold Value)	Total	(Profit)	Price of
Dec. 31	Milled	£ Per Ton	£ Per Ton	£ Per Ton	Shares end of Period
1912 6 mos.)	46,415	79,284 34.2	70,499 30.4	8,875 3.8	6.3
1913	105,590	335,623 43.5	146,637 27.0	88,941 16.5	7.6
1914	131,762	251,797 38.5	169,229 25.9	84,528 12.9	—
1915.					
Mar. qtr.	32,989	59,497* 76.1	42,819 26.0	16,673 10.1	8.9
Apr. qtr.	10,224	25,498† 47.9	14,273 26.4	11,669 21.5	9.3
May	11,554	21,828 37.1	15,245 28.5	6,643 11.6	8.9
June	1,233	2,964‡ 40.7	14,121 27.7	6,643 13.0	8.0

\* Includes £13,837 from tube mill.

† Includes £10,223 from tube mills.

‡ Includes £5,165 from tube mills.

Dividends—Account 1914, May, 6d.; Nov., 6d.; Dec., 6d.; June, 6d. Total, 2s.

#### ABOSSO GOLD.—Issued capital, £400,000, in £1 shares.

Year ends	Tons	(Value)	Estimated	Approximate*	Price end of
June 30	Stps. Milled	£ Per Ton	£ Per Ton	£ Per Ton	Period
1913 14	394v. 87,752	152,303 34.8	122,169 27.9	25,985 6.11	1.5
1914-15.					
Sept. qtr.	40	24,709 45.785 37.1	39,515 31.11	2,996 2.5	—
Dec. qtr.	—	28,535 49,974 35.1	38,756 27.2	7,428 5.2	—
Mar. qtr.	—	26,215 44,162 33.8	34,293 28.2	8,262 6.4	—
Apr. qtr.	—	9,303 15,339 33.4	11,851 25.6	2,734 5.11	1.7
May	—	9,121 13,519 27.7	9,121 25.9	1,122 2.5	8.9
June	—	9,357 13,238† 28.4	—	—	—

\* After allowance for depreciation and taxes.

† Cannot be clean-up incomplete owing to shortage of sulphuric acid.

Dividends per cent.—1912, Dec., 5; 1913, Oct., 5.

**ALASKA MEXICAN.**—Capital, \$900,000, in \$5 shares. Milling results have been as follows:—

Year ends	Ore Milled Tons	Gold Yield £ Per Ton	Working Costs £ Per Ton	Net Profit £ Per Ton	London Price of Shares end of Period
Dec. 31	...	...	...	...	...
1912	233,299	135,824 11/8	73,753 6/4	62,071 5/4	2½
1913	222,112	98,000 8/9	64,840 5/10	33,160 2/11	1½
1914	233,457	101,804 8/8	67,764 5/9	34,040 2/11	—
1915.	...	...	...	...	...
Mar. qr.	58,265	22,400 7/11	15,849 5/7	6,551 2/3	1
Apr. ...	18,800	6,720 7/2	4,920 5/3	1,800 1/11	1½
May ...	19,300	5,960 6/3	4,700 4/11	1,260 1/4	1½
June ...	23,457*	5,575 9/3	5,495 9/1	80 -/2	1½

\* Low tonnage due to break in main shaft of central hoist. Normal working since July 12.

Dividends per cent.—1910, 38; 1911, 14; 1912, 25; 1913, 20; 1914, Feb., 4; May, 4; Aug., 4; 1915, Feb., 4; May, 4.

**ARIZONA COPPER.**—Output of copper as announced:—

Year to Sept. 30	1912-13 Tons	1911-12 Tons
...	17,050	18,075
Year to Sept. 30	1913-14 Tons	1912-13 Tons
...	19,380	17,050
Year to Sept. 30	1914-15 Tons	1913-14 Tons
Dec. qr.	3,605	4,635
March qr.	5,186	4,910
April ...	2,100	1,546
May ...	1,768	1,546
June ...	1,787	2,110
Total	14,436	14,747

\* "A portion of which is the result of the conversion of an accumulation of partially treated material."

Dividends per cent.—1908-09, 50; 1909-10, 50; 1910-11, 50; 1911-12, 65; 1912-13, June, 30; Jan., 25; 1913-14, June, 20; Jan., 35; 1914-15, June, 20.

**GLOBE AND PHOENIX.**—Capital, £200,000 in 5s. shares.

Year ends	Dec. 31	Tons	Value £	Per Ton	Mine Costs £ Per Ton	Mine Profit £ Per Ton	Price of Shares end of Period
1912	...	...	...	...	...	...	...
1913	...	...	...	...	...	...	...
1914	...	...	...	...	...	...	...
1915.	...	...	...	...	...	...	...
Mar. qr.	...	17,447	105,530	120/11	42,718 48/11	62,812 72/0	1½
Apr. ...	...	6,191	37,378	101/4	14,285 46/1	17,093 55/3	30/6xd
May ...	...	6,415	32,385	100/10	15,205 47/4	17,180 53/6	27/6
June ...	...	6,147	32,245	104/11	14,233 46/4	18,012 58/7	27/5

\* Official figures for eleven months plus one month estimated.

Dividends—Account 1911, 8/0. Account 1912, 7/0. Account 1913, total, 6/3. Account 1914, July, 1/6; Oct., 1/6; Jan., 1/6; Mar., 1/6; total, 6/0. Account 1915, July, 1/0.

**HOLLINGER.**—Capital \$3,000,000, in \$5 shares. The following milling results have been reported. The dollar is taken at 4s. :—

Year ends	Dec. 31	Tons	Revenue £	Per Ton	Expenses— Excluding Develop- ment £ Per Ton	Profit £ Per Ton	Price of Shares end of Period
1913	...	...	...	...	...	...	...
1914	...	...	...	...	...	...	...
1915.	...	...	...	...	...	...	...
Mar. qr.	...	17,447	105,530	120/11	42,718 48/11	62,812 72/0	1½
Apr. ...	...	6,191	37,378	101/4	14,285 46/1	17,093 55/3	30/6xd
May ...	...	6,415	32,385	100/10	15,205 47/4	17,180 53/6	27/6
June ...	...	6,147	32,245	104/11	14,233 46/4	18,012 58/7	27/5

\* In addition a portion of development expenditure is carried to balance sheet.

Dividends—1913, 39; 1914, 39 per cent.  
1915, 4 per cent. every 4 weeks.

**TALISMAN CONSOLIDATED.**—Capital, £345,000, in £1 shares, all issued and fully paid.

Year ends	Feb. 28	Tons	Yield Amount £	Per Ton	Expenses* Amount £	Per Ton	Profit Amount £	Per Ton	Price of Shares end of Period
1912-13	...	...	...	...	...	...	...	...	...
1913-14†	...	...	...	...	...	...	...	...	...
1914-15	...	...	...	...	...	...	...	...	...
1915-16.	...	...	...	...	...	...	...	...	...
March	...	4,260	21,224	99/7	10,875 51/0	10,349 48/7	1½	...	...
April	...	3,110†	16,114	103/7	8,436 54/3	7,678 49/4	1½	...	...
May	...	4,060	19,173	94/5	10,267 50/7	8,906 43/10	1½	...	...
June	...	3,530	18,131	102/9	9,526 53/11	8,605 48/10	21/0	...	...

\* Including mine development, but not construction and equipment expenditure.

† Mill ceased running for nearly two months owing to the general strike in New Zealand.

‡ Low tonnage through accident.

Dividends—Account 1912-13, 7/6. 1913-14, 7/0. 1914-15, May, 1/9; Aug., 1/3; Oct., 2/0; Feb., 2/0. 1915-16, June, 1/0.

**IVANHOE.**—Capital £1,000,000, in £5 shares..

Year ends	Dec. 31	Tons	Value of Gold £	Per Ton Milled	Working Costs, Development and Plant £ Per Ton Milled	Profit* £ Per Ton Milled	Price of Shares end of Period
1912	...	...	...	...	...	...	...
1913	...	...	...	...	...	...	...
1914	...	...	...	...	...	...	...
1915.	...	...	...	...	...	...	...
Mar. qr.	...	58,301	94,799 32/6	64,776 22/2	30,023 10/4	2½	...
Apr. ...	...	19,858	30,960 31/2	21,950 22/1	9,010 9/1	2½	...
May ...	...	19,810	30,707 31/0	21,700 21/11	9,007 9/1	2½	...
June ...	...	19,852	31,943 32/3	22,930 23/1	9,013 9/2	2½	...

\* Miscellaneous expenses averaging £870 per month have to be deducted from profits.

Dividends—1912, 19/0. 1913, 14/0. 1914, June, 2/6; Sept., 2/6; Dec., 2/6; March, 3/0. Total, 10/6. 1915, June, 2/6.

**PRESTEA BLOCK A.**—Capital, £1,150,000, in £1 shares; issued, 1,049,876 shares. The remaining amount of floating debt is now £30,000. The following results have been obtained since the starting, May 1911, of part of the new 110 stamps to have a capacity of about 300,000 tons per annum:—

Year to Dec. 31	Tons Milled	Revenue £ Per ton	Expenses* £ Per ton	Profit £ Per ton	Price of Shares end of Period
1911.	...	...	...	...	...
7 mos.	93,483	160,346 34/3	131,927 28/2	28,419 6/1	1½
1912	172,319	297,125 34/6	238,565 27/8	58,560 6/10	1
1913	229,990	386,917 33/8	293,346 25/6	93,571 8/2	1½
1914	270,732	427,891 31/7	345,336 25/6	82,555 6/1	1½
1915.	...	...	...	...	...
Mar. qr.	76,470	112,514 29/5	88,327 23/1	24,287 6/4	1½
Apr. ...	23,730	37,152 31/3	28,755 24/2	8,397 7/1	1½
May ...	22,300	34,196 30/8	28,309 25/5	5,887 5/3	1½
June ...	20,090†	23,673 29/6	26,704 26/7	2,969 2/11	1½

\* Including development.

† Low tonnage due to shortage of white miners. Miners have now arrived from Canada.

**TACUHAH MINING AND EXPLORATION COMPANY.**—Issued capital £349,973, in £1 shares. There are also in issue Income bonds which do not figure in the balance sheet for any nominal amount, but have rights to dividend to the equivalent of 37,500 shares.

Milling resumed with part of plant, August 1911.

Year ends June 30	Stps.	Tons (2,000 lb.)	Value		Expenses		Profit		Price of end of period
			Amt. £	Per Ton	Amt. £	Per Ton	Amt. £	Per Ton	
1912-13 ...	30	61,687	179,591	59/3	112,492	36/6	67,099	21/9	1 1/2
1913-14 ...	40	58,740	179,110	60/11	114,555 1/2	39/0	45,045 1/2	15/4	2
1914-15.									
Sept. q.r....	40	17,020	50,452	59/3	27,846	32/8	16,683	19/7	—
Dec. q.r....	40	17,140	50,180	59/5	28,788	33/7	16,103	18/9	—
Mar. q.r....	40	17,620	52,829	59/11	29,033	32/11	17,619	19/11	3
Apr. ...	40	5,890	17,600	59/9	9,644	32/9	5,893	20/0	14/6
May ...	40	5,932	17,734	59/9	9,635	32/7	5,997	20/2	14/6
June ...	—	—	17,591	—	—	—	—	—	15/0

\* Expenses include development redemption, London office charges and interest.

† Profit is the net profit after allowing for depreciation and taxes.

‡ Estimated.

Dividends—1908-09, 10 per cent.; 1909-10, nil; 1912-13, nil; 1913-14, May, 5; 1914-15, Dec., 5; March, 5; June, 5 per cent.

**TRONOH MINES, LIMITED.**—Capital £160,000, in £1 shares.

Year to Dec. 31	Tons	Yield	Tin Sales £ Per Ton	Working Costs £ Per Ton	Net Profit £ Per Ton
1912	...	...	...	...	...
1913	...	...	...	...	...
1914	...	...	...	...	...
1915.	...	...	...	...	...
Mar. qr.	...	384	35,600 92/14	26/5 7/3	10,500a 27 6 11
April ...	...	147	14,000 99 6 5	63 12 1	5,250a 35 14 4
May ...	...	172	16,750 97 7 8	61 3 3	6,230a 36 4 5
June ...	...	165	16,450 99 0 0	61 1 0	6,410a 38 19 0

\* Exclusive of general office charges, income tax, and depreciation.

† After deduction of office charges, income tax, depreciation, &c.

(a) Working profit.

Dividends—1913, 37½ per cent.; 1914, nil; 1915, May, 5 per cent.

**Sons of Gwalia.**—Issued capital, £325,000, in £1 shares.

Year ends	Dec. 31	Tons	Revenue £ Per Ton	Expenses* £ Per Ton	Profit £ Per Ton	Price of Shares end of Period
1912	...	...	...	...	...	...
1913	...	...	...	...	...	...
1914	...	...	...	...	...	...
1915.	...	...	...	...	...	...
Mar. qr.	...	40,064	62,177 31/0	43,425 21/8	18,742 9/4	18/3xd
Apr. ...	...	13,826	21,467 31/1	15,513 22/5	5,954 8/8	16/3
May ...	...	13,771	21,331 30/11	15,066 21/10	6,275 9/1	17/3
June ...	...	13,542	20,311 29/11	14,914 22/0	5,397 7/11	16/6

\* The yearly figures include expenditure on capital account. Monthly expenses include development.

Dividends—1912, 4/3; 1913, 4/0; 1914, 2/6; 1915, Feb., 6d.; June, 6d.

**Golden Horse-Shoe.**—Capital, £1,500,000 (£5 shares). There are £81,500 of Six per Cent. First Mortgage Debentures outstanding.

Year ends	Tons (2,000lb.) Crushed	Value		Expenses, Development and Capital		Net Profit		Price end of Period
		£	Per Ton	£	Per Ton	£	Per Ton	
Dec. 31								
1913	314,173	414,391	26.4	384,153	24.5	30,198	1.11	2½
1914	310,249	389,134	25.1	369,479	23.7	23,655	1.6	—
1915.								
Mar. qr. ...	68,301	106,149	31.1	85,948	25.2	20,201	5.11	2½
Apr. ...	23,143	37,118	32.9	28,777	24.11	8,211	7.10	2½
May ...	23,197	38,135	32.13	29,553	25.2	8,922	7.8	2½
June ...	23,976	39,332	32.9	30,294	25.5	9,028	7.6	2½nd

Dividends—1910, March, 5/0 per share.  
1913, Oct., 5/0 per share.  
1915, May, 3/0 per share.

**Oroville Dredging.**—Capital issued, £644,206, in £1 shares. The following shows the dredging results of the Pato Mines (Colombia), in which the Oroville Company owns 70 per cent. of the share capital and all the issued £220,000 of 8% Income notes.

Pato Year ends	1914-15— Gold Yields			1913-14— Gold Yields		
	Cub. Yds. Treated	Per Cub. Yard Cents	Per Ton	Cub. Yds. Treated	Per Cub. Yard Cents	Per Ton
Sept. 30						
8 weeks to						
Nov. 24 ...	232,350	108,850	46.8*	197,720	182,550	92.3
Jan. 19 ...	147,100	155,500	105.3	163,550	106,800	65.3
Mar. 23 ...	179,700†	85,300	47.4	82,200	44,100	53.6
Period to						
Apr. 3 ...	27,300	15,200	55.6	—	—	—
Apr. 27 ...	62,500	41,250	66.0	—	—	—
May 18 ...	48,000	36,000	81.8	93,583	19,622	20.9
June 1 ...	54,000	26,350	45.4	27,300	9,616	35.2
June 8 ...	32,500	14,500	44.9	18,526	9,419	50.9
June 26 ...	—	25,000	—	—	12,950	—
Totals ...	783,450	567,950	61.6	582,879	285,057	63.8

\* Dredge accidentally sunk in September. Low-grade material dealt with when refloated.

† Including reworked tailings.

(a) Owing to dry season in 1914 dredging stopped from March 3 to April 25.

(b) 15 days only; working of dredge suspended for a time to fix pontoons to ensure stability. This has now been successfully accomplished.

(c) Yardage not given.

Dividends (Oroville Company)—1909-10, 2½ per cent.; 1914, March, 2½ per cent.; Aug., 2½ per cent.; 1915, March, 2½; June, 2½ per cent.

## MISCELLANEOUS.

AVERAGE TRUST.—Interim dividend of 15 per cent., tax free, on Ordinary shares.

BANK OF VICTORIA (AUSTRALIA).—Dividends on Preference and the Ordinary shares at the rate of 6 per cent. per annum, and carry forward £2,394,453.

BELGIANIA DAIRY COMPANY.—Dividend of 2 per cent., making 4 per cent. per annum (less tax).

DUBLIN AND SOUTH EASTERN RAILWAY.—Interim dividend on Consolidated Preference stock at rate of 4 per cent. for half-year to June 30.

FORBHAM, W. B., AND SONS.—Interim dividend at rate of 4 per cent., less tax.

SUNGEY MATANG RUTHER ESTATE.—Interim dividend of 5 per cent. (actual), less tax, on shares.

JEREMIAH ROTHERHAM AND Co.—Interim dividend on Ordinary at the rate of 7 per cent. per annum.

LIVERPOOL OVERHEAD RAILWAY.—Dividend for six months to June 30 at rate of 2½ per cent. on Ordinary shares.

PEGOH.—Interim dividend of 7½ per cent., tax free.

RAMSBOTTOM PAPER MILL COMPANY.—Interim dividend at the rate of 15 per cent. per annum on Ordinary, tax free.

NATIONAL EXPLOSIVES COMPANY.—Interim dividend of 5 per cent.

**Simmer and Jack.**—£3,000,000, in £1 shares; 320 stamps and seven tube mills; monthly and quarterly results include sundry revenue.

Year ends	Tons Sort-	Revenue	Expenses	Profit	Price					
June 30	Stps. Milled	Ing. Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period					
		£	£	£						
1913-14	320	769,600	2½	798,339	20.9	475,660	12/4	322,678	8.5	4½

[Plus £34,126 additional rental and interest revenue for 1914-15.]

1914-15.										
Sept. qr. 320	186,100	2½	193,593	20/9	115,973	12/5	77,620	8/4	—	—
Dec. qr. 320	212,900	1½	232,769	21/10	129,895	12/2	102,474	9/8	—	—
Mar. qr. 320	194,600	2	220,792	22.8	136,638	14/0	84,154	8/8	9/3	—
April ... 320	65,800	1½	72,587	22.0	43,444	13/2	29,143	8/10	8/6	—
May ...	76,600	—	74,978	19/7	46,289	12/1	28,689	7/6	8/6	—
June ...	72,500	—	74,798	29.8	44,623	12.4	30,169	8/4	11/0	—
12 mos....	818,100	—	859,117	21/3	516,868	12/8	352,249	8.7	11/0	—

Gold reserve: June, 8,500 oz.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 5 per cent.

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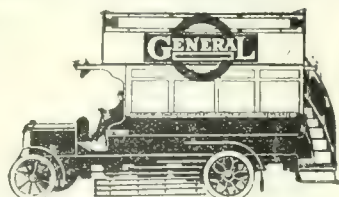
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On Monday, August 2nd, the usual Sunday country services, strengthened as far as possible to meet traffic requirements, will be run.

On Tuesday, August 3rd, in addition to the usual week-day services, the following routes will be in operation from about noon.

ROUTE	Service Interval
	Mins.
10 Elephant & Castle and Woodford Bridge	12
10B Elephant & Castle and Epping Town	12
29A Hadley Woods and Victoria	7
37A Herne Hill and Hampton Court	10
38A Victoria and Epping Forest (Warren Wood)	6
81 Hounslow (The Bell) and Windsor	15
107 Clapham Common and Dorking	30
Clapham Common and Epsom	15
178 Camberwell Green and Belmont	20

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Called up ... £600,000

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Reserve Liability of Shareholders £900,000

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Total Capital and Reserve £7,960,000.

HEAD OFFICE: 71 CORNHILL, LONDON, E.C.

DRAFTS are granted on the Bank's branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made. BILLS are purchased or sent for collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

BANK OF NEW SOUTH WALES.

Established 1817. LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital £3,500,000 Reserve Fund 2,550,000 Reserve Liability of Proprietors 3,500,000

Total £9,550,000.

The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business. DAVID GEORGE, Manager.

THE LONDON AND RIVER PLATE BANK (Limited).

Established 1862. Authorised Capital ... £4,000,000 Paid-up Capital ... 1,800,000 Reserve Fund ... 2,000,000

BRANCHES: ARGENTINE—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fe (Buenos Aires), Calle B de Irigoyen (Buenos Aires).

RUSSIA—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency).

CHILE—Valparaiso. FRANCE—Paris (16 Rue Halévy). BELGIUM—Antwerp (22 Place de Meir). Agency in New York and Agents throughout the World.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection. 7 Princes Street, E.C.

RUSSIAN & ENGLISH BANK

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000

Reserve Fund, £126,000.

English Members of the Council of the Bank—Lord Balfour of Burleigh, K.T., Rt. Honble. Austen Chamberlain, M.P., Sir Ian H. Amory, Bart.

The Bank transacts every description of Banking Business; collects Cheques, Bills, Documentary Bills in all parts of the Russian Empire. Undertakes the Agency of Banks and the purchase and sale of Russian Stocks and Shares.

London: Bealton Bros. & Co., 39 Old Broad St., E.C. Agents: Lloyds Bank Limited and Branches. Telegraphic Address: Britoruss, Petrograd.

THE BANK OF BRITISH NORTH AMERICA.

ESTABLISHED 1856.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,740,000

Assets - \$39,354,000

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKVEREIN.

KLEINWORT, SONS & Co.

LLOYDS BANK LTD.

## THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. P. SHANBACKER. Vice-President—JAMES HAY. Vice-President—FRANK G. ROGERS. Cashier—R. J. CLARK.

Assistant Cashier—W. A. BULKLEY. Assistant Cashier—W. K. HARDT. Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited. Cable Address—London Agents—

"FOUR BANK," SAMUEL MONTAGU & CO. LONDON CITY AND MIDLAND BANK, LTD. LLOYDS BANK LTD.

NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and Uganda.

HEAD OFFICE: 26 BISHOPSGATE, LONDON, E.C.

BRANCHES: Calcutta, Bombay, Madras, Karachi, Cawnpore, Lahore, Amritsar, Delhi, Tuticorin, Cochin (S. India), Chittagong, Rangoon, Mandalay, Aden and Aden Point, Colombo, Kandy, Newera Eliya, Zanzibar, Mombasa, Nairobi, Nakuru, Kisumu, Entebbe, Kampala, Jinja, British East Africa, Uganda.

SUBSCRIBED CAPITAL ... £2,000,000 PAID-UP CAPITAL ... £1,000,000 RESERVE FUND ... £1,175,000

LONDON BANKERS: Bank of England; National Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal. (With which are incorporated the Bank of Africa, Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South Africa in the Transvaal, Natal and Orange Free State. Bankers to the Imperial Government in South Africa. London Offices—Circus Place, London Wall, E.C., and 117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420 With power to increase to 4,000,000 Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of South Africa. Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

THE LONDON AND RIVER PLATE BANK (Limited).

Established 1862. Authorised Capital ... £4,000,000 Paid-up Capital ... 1,800,000 Reserve Fund ... 2,000,000

BRANCHES: ARGENTINE—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fe (Buenos Aires), Calle B de Irigoyen (Buenos Aires).

RUSSIA—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency). BRAZIL—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency).

CHILE—Valparaiso. FRANCE—Paris (16 Rue Halévy). BELGIUM—Antwerp (22 Place de Meir). Agency in New York and Agents throughout the World.

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RUSSIAN & ENGLISH BANK

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Reserve Fund, £126,000.

English Members of the Council of the Bank—Lord Balfour of Burleigh, K.T., Rt. Honble. Austen Chamberlain, M.P., Sir Ian H. Amory, Bart.

The Bank transacts every description of Banking Business; collects Cheques, Bills, Documentary Bills in all parts of the Russian Empire. Undertakes the Agency of Banks and the purchase and sale of Russian Stocks and Shares.

London: Bealton Bros. & Co., 39 Old Broad St., E.C. Agents: Lloyds Bank Limited and Branches. Telegraphic Address: Britoruss, Petrograd.

# The Statist,

A Journal of Practical Finance and Trade.

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## SALES BY AUCTION.

**JOHN HOARE AND CO.**  
will Offer for SALE by PUBLIC AUCTION  
at the WOOL EXCHANGE, Coleman Street,  
London, E.C., on Thursday, 12 August, at  
9.30 a.m.,

600 Bales PUNTA ARENAS AND  
AUSTRALASIAN SHEEPSKINS.  
Catalogues in due course of JOHN HOARE  
and CO., Wool Brokers, 73 Basinghall Street,  
E.C.

## BANCO DE CHILE.

London Agency—  
94 GRACECHURCH STREET, E.C.  
Paid-up Capital ... .. £40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.  
The London Agency transacts every class of Bank-  
ing business with Chile. Current accounts also  
opened and deposits received.

## CREDITO ITALIANO.

Capital fully paid and Reserve ... £3,460,000  
Head Office: MILAN.  
The Bank has Branches at Genoa, Rome, Turin,  
Naples, Florence, Catania, Bari, and numerous  
other important towns in Italy.  
LONDON BRANCH:  
22 ABCHURCH LANE, E.C.  
Managers: I. GEORGE MANZI-FE.  
DAVID A. HORNER.  
Transacts a general Foreign Banking Business,  
having Correspondents in all European Countries,  
and is specially prepared to grant facilities for the  
development of trade between the British Empire  
and Italy.  
Correspondent of the Royal Italian Treasury.  
Telegrams: "Italcrodi," Cable, "London."  
Telephones: 7802, 7803 City.

## LONDON BANK of AUSTRALIA LIMITED.

71 Old Broad Street, E.C.  
Subscribed Capital ... .. £1,276,747 10 0  
Paid-up Capital ... .. 669,587 10 0  
Reserve Fund and Undivided  
Profits ... .. 328,317 13 0  
Reserve Liability of Proprietors 607,160 0 0  
Remittances made by Cable, Drafts, Letters of  
Credit and Circular Notes issued upon Branches  
and Agents. Bills on Australasia negotiated or sent  
for collection. Deposits received for periods and  
at rates which may be ascertained on application,  
and every description of Banking business con-  
ducted with Australia.

## HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000  
RESERVE FUNDS.  
STERLING RESERVE,  
held in London at Ex-  
change of 2s. per \$  
= £1,500,000 Sterling,  
invested in Consols  
and other Sterling  
Securities ... .. \$15,000,000  
SILVER RESERVE ... .. 18,000,000  
RESERVE LIABILITY OF PRO-  
PRIETORS ... .. \$33,000,000  
COURT OF DIRECTORS and HEAD OFFICE  
IN HONGKONG.  
LONDON COMMITTEE.  
Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.  
Deposits received for fixed periods at rates which  
can be ascertained on application. Interest payable  
June 30 and December 31.  
Sir CHARLES ADDIS, Managers  
H. D. C. JONES, in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.  
9 Gracechurch Street, London, E.C.

## THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410  
Petrograd. Moscow. Paris.  
And over 100 Branches in Russia.  
London Offices:  
24 28 LOMBARD STREET, E.C.  
Telegraphic Transfers and Remittances made to  
Russia and all parts of the Continent.  
Purchase and Sale of Stocks and Shares. Divi-  
dends Collected. Drafts issued on all parts of the  
world. Also Circular Letters of Credit.  
Commercial Credits opened. Foreign Money ex-  
changed, approved Bills negotiated, Bills collected  
on the most favourable terms.  
Current Accounts opened and deposits received  
on terms which may be ascertained on application.

## COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.  
Branches and Agencies throughout  
Australasia.  
Bills Negotiated and Collected. Drafts and Letters  
of Credit issued. Remittances cabled or mailed.  
Current Accounts opened. Deposits accepted for  
fixed periods, and BANKING BUSINESS of every  
description transacted with Australia.  
SAVINGS BANK DEPARTMENT.  
Agencies at 2,034 Post Offices throughout Australia.  
Special facilities for the remittance of Settlers' funds.  
London Office:  
36-38 NEW BROAD STREET, E.C.  
C. A. B. CAMPION, Manager.

## STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South  
Africa in Cape Province; to the Imperial Govern-  
ment in South Africa; and to the Administration  
of Rhodesia.  
SUBSCRIBED CAPITAL ... .. £6,194,100  
PAID-UP CAPITAL ... .. £1,548,525  
RESERVE FUND ... .. 2,000,000  
UNCALLED CAPITAL ... .. 4,645,575  
£8,194,100  
BOARD OF DIRECTORS—  
W. R. Arbuthnot, Esq. Horace Peel, Esq.  
Sir David Miller Barbour, William Smart, Esq.  
K.C.S.I., K.C.M.G. Right Hon. Lord  
Robert E. Dickinson, Esq. Sydenham, G.C.S.I.,  
James Fairbairn Finlay, G.C.M.G., G.C.I.E.  
Esq., C.S.I. Rt. Hon. Lord Welby,  
P.C., G.C.B.  
HEAD OFFICE: 10 CLEMENTS LANE,  
LOMBARD STREET, LONDON, E.C.  
Hamburg Agency: 27 Alsterdamm.  
New York Agency: 55 Wall Street.  
OVER 200 BRANCHES AND AGENCIES IN  
SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS  
transacted with the Cape Province, Natal, Orange  
Free State, Transvaal, Rhodesia, Nyasaland,  
East Africa Protectorate, Uganda, Zanzibar,  
Portuguese East Africa, and the Belgian Congo,  
and the Bank's Agencies in Hamburg, New York,  
and elsewhere.  
CURRENT ACCOUNTS are opened on the usual  
terms.  
DEPOSITS RECEIVED for fixed periods at rates  
which may be ascertained on application.  
BILLS NEGOTIATED and COLLECTED.  
MAIL and TELEGRAPHIC REMITTANCES made.  
LETTERS OF CREDIT and DRAFTS granted on  
the Branches and Agencies of the Bank.  
THE BANK ISSUES CIRCULAR LETTERS OF  
CREDIT available in all parts of the World.  
COMMERCIAL LETTERS OF CREDIT issued.  
PURCHASE and SALE of Stocks and Shares effected.  
DIVIDENDS, ANNUITIES, ETC., received.  
EXECUTOR and TRUSTEE Business undertaken.  
The Officers of the Bank are bound not to disclose  
the transactions of any of its customers.  
NOEL JENNINGS, London Manager.

## BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.  
City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place,  
Regent St.  
Paid-up Capital, £6,240,000. Reserve, £2,378,800.  
Manager—E. Consolo.  
Sub-Managers—A. Rossi.  
R. B. Handley.  
G. Costa.  
Branches in Italy:—Alessandria, Ancona, Bari,  
Biella, Bologna, Brescia, Cagliari, Catania, Como,  
Florence, Genoa, Leghorn, Messina, Naples, Padua,  
Palermo, Parma, Perugia, Pisa, Rome, Salerno,  
Sassari, Savona, Sestri Ponente, Syracuse, Turin,  
Venice, Verona; AND AGENCIES IN NUMEROUS  
OTHER TOWNS.  
CORRESPONDENTS OF THE ITALIAN  
TREASURY.  
Agents in London for:—BANQUE FRANÇAISE  
et ITALIENNE POUR L'AMÉRIQUE DU SUD,  
Buenos Aires, Rio de Janeiro, San Paulo, Santos,  
&c., and  
SOCIETÀ COMMERCIALE D'ORIENTE,  
Milan and Tripoli.  
Agents and Correspondents in all parts of the world.

## BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000  
Reserve Fund ... .. £P.300,000  
BRANCHES IN:  
Piura, Callao, Mollendo,  
Chiclayo, Cerro de Pasco, Arequipa,  
Pacasmayo, Chinchalta, Cuzco,  
Trujillo, Ica, Iquitos,  
Huaras, Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers  
issued. Bills negotiated, advanced upon, or sent  
for collection.  
London Agents: The Anglo-South American  
Bank, Ltd., Old Broad St., London, E.C.

## UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.  
Paid-up Capital ... .. \$5,000,000  
Rest and Undivided Profits ... .. \$3,600,000  
Total Assets over ... .. \$80,000,000  
The Bank has over 300 Branches in C.nada and  
Agents in the principal Cities in AMERICA.  
London Committee:  
J. Leigh Wood, Esq., C.M.G.;  
Hon. Sidney Peel; F. W. Ashe, Esq.  
Deposits received for fixed periods at favourable  
rates, which may be ascertained on application to  
LONDON OFFICES { 6 PRINCES STREET, E.C.  
26 HAYMARKET, S.W.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.  
Subscribed Capital ... .. Yen 48,000,000  
Capital Paid up ... .. 30,000,000  
Reserve Fund ... .. 19,600,000  
HEAD OFFICE: YOKOHAMA.  
Branches and Agencies at  
Antung-Hsien Kobe New York  
Bombay Liao Yang Osaka Peking  
Calcutta London Ryojin (Port  
Changchun Los Angeles Arthur)  
Dairen (Dalny) Lyons San Francisco  
Hankow Fengtien Shanghai  
Harbin (Mukden) Tientsin  
Hong Kong Nagasaki Tokio  
Honolulu Newchwang Tsingtau  
The Bank buys and receives for Collection Bills  
of Exchange, issues Drafts and Telegraphic Trans-  
fers and Letters of Credit on above places and else-  
where, and transacts General Banking Business.  
Deposits received for fixed periods at rates to be  
obtained on application.  
K. TATSUMI, Manager.  
London Office—  
7 Bishopsgate, E.C.

# The Hampden Cloncurry Copper Mines, Limited.

(Incorporated in Victoria, Australia.)

## DIRECTORS' REPORT (ABRIDGED).

Submitted at the Half yearly General Meeting held at Melbourne on 14th June 1915.

**OPERATIONS.**—These are dealt with fully in the accompanying Report of the General Manager, but special mention may here be made of the fact that the West Cross-cut from the Main Duchess Shaft at the 850-foot level, which at the close of the half-year had been advanced 12 feet, has since been extended a further 235 feet, making a total of 247 feet. At a point 220 feet from the shaft, the lode channel was intersected, and has been driven on 30 feet to date. It is expected that a further 40 feet will require to be driven before high-grade ore is encountered. In the level above (700 feet) a continuous chute of ore carrying high values has so far been proved (by driving) for a length of 330 feet without a break. Recent developments in the workings from the No. 3 Hampden Shaft (350-foot level), though disclosing no high values, have exposed a large tonnage of primary ore, which plays an important part in the smelting of the more siliceous ore from other properties of the Company.

**ORE RESERVES.**—During the period under review, 26,097 tons of Ore, containing approximately 2,546 tons of Copper, were drawn from the Hampden, Duchess, and Trekelano Mines, and at 28th February the Company's Ore Reserves were estimated by the General Manager at 240,000 tons, containing 21,920 tons of Copper. These figures include 35,000 tons of Pindora Concentrating Ores, containing by estimation 1,750 tons of Copper, for the treatment of which no provision has yet been made, but the question of the installation of a concentration plant is under consideration, full tests having been made with the Minerals Separation Processes, with excellent results.

**PRODUCTION.**—During the half-year 37,787 tons of Ore and Copper-bearing flux were treated, for a production of 3,057 tons of Blister Copper containing 3,025 tons of Fine Copper, 915 oz. of Gold, 26,779 oz. of Silver.

**COPPER.**—Quotations for Electrolytic Copper, which ceased when war broke out, were resumed at the beginning of November last, and the average price for the four months ended 28th February 1915 was £60 9s. 1d., as compared with £63 12s. 6d., the average for the five months ended 31st July 1914. In this connection it will interest Shareholders to know that the average price realised for our Blister Copper during the half-year was £58 15s. per ton. This is somewhat below the average quotational price for the four months (November to February) during which official Metal Market figures were available. The difference is accounted for by the fact that some 2,100 tons were sold during the September-November period at approximately £53 per ton.

**FINANCIAL.**—The profit on Working Account for the half-year was £53,018 5s. 11d., and the net profit transferred to Appropriation Account was £44,609 16s. 10d.

Including the balance brought forward, and after deducting the sum of £8,305 15s. 9d. transferred to Reserve for Depreciation, the amount carried forward to current half-year is £161,626 14s. 8d.

The surplus of Liquid Assets at 28th February amounted to £24,556 6s. 3d. Expenditure on Capital Account during the half-year under review amounted to £9,120 7s. 5d. The products on hand at 28th February 1915 have since been disposed of, and realised the value shown in the Balance Sheet.

**DEBENTURES.**—Since the close of the half-year Debentures to the extent of £20,000 have been redeemed. Of the original issue of £60,000 there now remains only £20,000 outstanding. These will become due for redemption on 1st April 1916.

**MACGREGOR MINES TRAMWAY.**—The 2-foot gauge line has now been completed, and is being utilised for the transport of ore from the MacGregor Mine to the Smelters.

Melbourne, 31st May 1915.

### ABRIDGED BALANCE SHEET at 28th February 1915.

LIABILITIES.			
Nominal Capital—			
400,000 Shares of £1 each	...	...	£400,000 0 0
Less Capital Unissued—			
50,000 Shares of £1 each	...	...	50,000 0 0
			£350,000 0 0
Capital Paid Up—			
Paid Up in Money	£162,500	0 0	
Paid Up otherwise than in money	187,500	0 0	
	£350,000	0 0	
Debtenture Stock Issued	£40,000	0 0	
Accrued Interest...	1,083	6 8	
			41,083 6 8
Premium Reserve Fund	68,836	5 0	
Reserve for Redemption of Debentures	10,000	0 0	
Reserve for Depreciation...	45,675	0 0	
Provision for Income Tax	1,100	0 0	
Deposits at Call and Accrued Interest	16,708	10 6	
Sundry Creditors	28,296	11 8	
E. S. and A. Bank, Limited, Melbourne—Overdraft	8,431	3 4	
Commercial Bank of Australia, Limited, London—Overdraft	11	14 7	
Carried forward	...	...	£570,142 11 9

# THE NATIONAL BANK OF SCOTLAND LIMITED

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.

## Head Office—EDINBURGH.

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.



## INDIA 4 PER CENT. TERMINABLE LOAN OF 1915-16 FOR 450 LAKHS OF RUPEES.

The Government of India have issued on the 28th July a Notification inviting applications at par for the above Loan. The Loan will be repaid at par on 30th November, 1923, but the right is reserved to redeem it on or after 30th November, 1920, on three months' notice to be given in the *Gazette of India*. Interest will be payable half-yearly on 31st May and 30th November. The Loan will be in the form of Promissory Notes.

Applications in hundreds of Rupees, accompanied by a deposit of not less than 5 per cent., will be received from 2nd August to 3 p.m. on 17th August by the Controller of Currency at Calcutta, the Accountant-General, or other Chief Officer of Accounts in each Province, and by the Bank of Bengal, Bank of Bombay, and Bank of Madras at their head offices and branches. An applicant not in India must name an agent resident in India to whom an allotment certificate may be issued.

When an allotment is less than Rs. 3,000, the amount must be paid in full on 8th September. In other cases the instalments will be payable as follows:—

On 26th August, about (but not less than) 20 per cent.;

On 8th September and 30th September, about (but not less than) 25 per cent. on each date;

On 30th October the balance.

From 2nd August to 30th October applications for the Loan will also be received, irrespective of the limit of 450 lakhs, at all Post Offices in India authorised to transact Savings Bank business. The amount so applied for by any one applicant must not exceed Rs. 5,000; and each application must be for at least Rs. 100 or a multiple thereof. Payment in full must be made with any application at a Post Office.

Further particulars may be obtained on application to the Financial Secretary, India Office, Whitehall, S.W.

India Office,  
28th July, 1915.

**PRUDENTIAL ASSURANCE  
COMPANY, LIMITED.**

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £90,000,000  
CLAIMS PAID - £118,000,000

## THE PATENT VICTORIA STONE COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that the Coupon Serial No. 54 on Share Warrants to Bearer of this Company will be payable on and after the 30th July next at the London County and Westminster Bank, Limited, 21 Lombard Street, E.C., for the Interim Dividend for the year ending December 31st, 1915, at the rate of 2 per cent. (less income tax).

By Order,  
H. T. ELLISTON, Secretary  
11, 12, and 13 Hamilton House,  
Bishopsgate, London, E.C.

## HONGKONG & SHANGHAI BANKING CORPORATION.

NOTICE IS HEREBY GIVEN that the Share Transfer Books of this Corporation will be Closed from the 31st July to the 14th August, 1915, both days inclusive.

C. S. ADDIS, } Managers.  
H. D. C. JONES, }

## NORTHERN IDAHO AND MONTANA POWER COMPANY FIRST MORTGAGE SIX PER CENT. 40-YEAR GOLD BONDS.

The Coupons due August 1st next on the above Bonds will be paid at the Counting House of Messrs. William P. Bonbright and Company, 16 George Street, Mansion House, E.C.

## NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... £750,000  
Subscribed and Paid-up Capital... £240,000

HEAD OFFICE ... AMSTERDAM.  
LONDON AGENCY... 2 Gt. Winchester St., E.C.  
LONDON MANAGER J. COST RUDD.

All descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.

## THE STOCK EXCHANGE.

### NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

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# The Statist.

LONDON, SATURDAY, JULY 31, 1915.

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# The Money Market.

Thursday Evening, July 29, 1915.

## Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE. %	BANKS. NOTICE. %	DEPOSIT RATES.	
			DISCOUNT CALL. %	HOUSES NOTICE. %
July 22, 1915...	—	3	3½	3½
April 8, " ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1¾
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

## Treasury Bills:—

	3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price...	£99 6s. 1¾d.	£98 3s. 5¾d.	£97 3s. 6d.	£96 5s. 0d.
Discount Rate	2¾%	3½%	3¾%	3¾%

## Discount Rates:—

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills	5½%	5½%	5½-½	5½
Trade Bills	—	5½-½	5½	5½-6

## MONEY.

### A FIRM MARKET.

THE payments in full in connection with the War Loan have continued to take money into the Bank of England in great amount, and it has become increasingly evident that the Bank will have complete control of the market for some months to come. Consequently, discount rates are firmly maintained at Bank rate or over. Indeed, the quotation for two and three months' bills is now firm at 5 per cent., while four months are quoted 5½ to 5½ per cent., and six months' 5½ per cent. It is evident that a very large amount of the War Loan has now been paid up in full, for in the past fortnight the public deposits have increased £125,000,000, notwithstanding the fact that the Government has repaid the Bank of England a sum of no less than £96,041,000 in respect of advances for one purpose and another. The addition to the public deposits, plus the sum repaid to the Bank of England, would alone indicate a payment in connection with the War Loan of considerably over £200,000,000. But the amount is probably larger than this, as some Treasury bills have been retired, and disbursements have been made out of the new Loan for war purposes. As far as one can form an opinion, the Bank seems to have received altogether a sum of about £250,000,000 in connection with the War Loan. As the 5 per cent. application money and the 10 per cent. instalment would call for a sum of only £90,000,000, the amount so far paid-up in full would seem to have been about £160,000,000.

Up to last Saturday, when the public income and expenditure statement was made up, the receipts from the War Loan were £178,500,000, which indicated that payment had been made in full in respect of about £100,000,000 of the Loan. With another 15 per cent. instalment due on August 3, and with further instalments of 15 per cent. each due on August 17 and 31, it is obvious that the sum which will accumulate in the public deposits by the end of August will reach an enormous figure. To make the payments to the Government, the market and the banks have already had to reduce their cash balances considerably, and at the same time to borrow large sums from the Bank of England. It will be realised, of course, that the payment of so much money to the Bank of England will not cause bankers any inconvenience, having regard to the facilities which the Bank is giving to everyone desirous of obtaining advances in order to meet the instalments on the Loan. Indeed, the only serious drawback to the enormous accumulation of funds in the

public deposits is the possible drop in the proportion of reserve to liabilities. To guard against this, however, a considerable amount of gold may return from circulation in consequence of the Prime Minister's suggestion to the country to use Currency Notes in place of sovereigns and half-sovereigns.

The real factor governing the value of money is the condition of the foreign exchanges and the continued large adverse trade balance. The demand for remittances to America is, however, now being met by sales of American securities, and having regard to the very large amount of those securities held in this country not much difficulty should be experienced in meeting the adverse balance by sales of securities. The United States possesses a great deal of gold, and doubtless will prefer to take securities rather than gold.

Another factor helping to support exchange has been the conclusion in New York of a short loan of \$40,000,000 for Canada. Still other factors have been the creation in Australia of a loan of £20,000,000, of which a part is now being issued, and the issue in India of a 4% Rupee Loan for £3,000,000, which is likely to be subscribed for entirely at home. These operations mean that the outlying parts of the Empire are financing their own requirements to a greater extent than usual. By relieving the Mother Country of the necessity of sending money out to India and the Colonies, these operations are having a beneficial influence upon the foreign exchanges, and are reducing the demand upon this country for gold. Still, the extent of the adverse trade balance is so great that gold shipments to the United States, to Argentina, to Egypt and to other countries in the coming months can scarcely be avoided, and it is essential that discount rates should be maintained in London at a profitable level in order to retain here all the free money which other countries do not really need to finance their crops.

A matter of some importance as affecting the future course of money was the Prime Minister's statement last week respecting the intent of the Government to introduce new taxation proposals when Parliament reassembles. If the Government succeeds in accomplishing its object of covering the Budget deficiency and adjusting the trade balance, the danger of excessive gold exports will be completely averted. Until, however, the proposals are introduced, and it is possible to ascertain if the object in view will be attained, a policy of caution in the Money market is essential.

### CHILEAN TREASURY BILLS.

It is understood that the £2,000,000 of Chilean Treasury bills falling due on August 4 will be entirely paid off at maturity. During the past week holders have been given the privilege of immediate repayment at a discount.

### THE BANK OF ENGLAND.

THERE was an addition of £1,723,000 to the Bank's reserve this week, and the amount rose to £45,825,000. The gold held increased £1,480,000, in consequence of the influx of £602,000 from abroad and of £878,000 from the country. The gold now stands at £60,906,000, and shows an increase of nearly £9,000,000 since the end of June. The note circulation has declined £243,000. The public deposits showed the great increase of £68,410,000 to £177,636,000. The "other" deposits were reduced £39,080,000 to £95,540,000. On balance there was a substantial increase in the liabilities, and the proportion of reserve to liabilities declined from 18.08 per cent. to 16.77 per cent. The "other" securities showed a further addition of £27,628,000 to £192,195,000—this is an increase in three weeks of £57,000,000; but, having regard to the repayment by the Government of £96,000,000 of advances, it is obvious that the market's indebtedness to the Bank has been increased by something like £150,000,000.

**MONEY IN NEW YORK.**

MONEY in New York remains extremely abundant, and day to day loans can be obtained at 2 per cent., while prime paper can be had at a very reasonable figure. Exchange on London is still quoted 4 7/16 for sight drafts, the sales of American securities by European investors, as well as the considerable loan of money to Canada, supplying the demand. The reserves of the Associated Banks last week increased £1,500,000. On the other hand, their loans increased £2,256,000 and deposits over £3,000,000. The addition to the surplus reserve was, consequently, rather over £1,000,000, bringing the total to £33,520,000.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate July 31	Par as usually quoted	Dis-count %
London ... sight	\$4 7/16	4 8 1/2 dollars for £1	2 0
" ... cables	\$4 7/16		
" ... 60 days	\$4 7/16		
Amsterdam ... sight	40 1/2	40 1/2 cents for 1 guilder	0 3
Berlin ... sight	81 1/2	95 cents for 4 marks	1 1 1/2
Copenhagen ... cheques	20 1/2	26 1/2 cents for 1 krona	2 8
Italy ... sight	6 3/4	5.18 lire for \$1	2 1/2
Paris ... sight	5 1/4	5.18 francs for \$1	8 8
Petrograd ... sight	3 1/2	5 1/2 cents for 1 rouble	37 3
Mexico ... Mex silver \$	50 1/2	50 1/2 U.S. for 1 Mex. \$	2 1/2
Switzerland ... sight	5 1/2	5.18 francs for \$1	3 3
Vienna ... sight	15 1/2	24 1/2 cents for 1 krona	2 1/2

Rates for prime commercial paper and for call loans in New York are as follows:—

July 22, 1915...	Prime paper ...	3-3 1/4	Call money ...	2%
July 23, 1914...	" " ...	4 1/2-5	" ...	2%

**POSITION IN INDIA.**

EXCHANGE from India comes at 1s. 3 3/4 d., and although bankers offered 1s. 3 1/8 d. for four lacs of telegraphic Council drafts no allotment was made. There is no doubt about the success in India of the new Rupee Loan, and no applications from this side are likely to be made. Money continues to accumulate in the Presidency Banks, and the stock of coined silver in the Currency Department shows a further increase of 93 lacs, bringing the total up to the great sum of 3,923 lacs. The stock of gold earmarked in London has fallen from 765 lacs to 615 lacs.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent. (June 4, '15)

Particulars of the Tenders received for the ten lacs of drafts offered by the India Council on Wednesday last, July 28, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
s. d.	Rs.	Rs.		s. d.	Rs.	Rs.	
1 3/4	4,00,000	Nil		1 3/4	4,00,000	Nil	

From April 1 to July 27 inclusive the Council have granted remittances for Rs. 2,74,36,978, realising £1,826,796. Up to July 28 of last financial year the total Bills and Transfers sold was Rs. 4,60,13,332, realising £3,071,778. The total sales for the week ended July 20 amounted to Rs. 20,000, realising £1,329. The amount to be offered for tender next Wednesday will be 10 lacs.

**SILVER.**

THE Silver market is weak, and after recovering from 22 3/4 d. to 22 1/4 d. the price has again fallen to 22 1/8 d. There has been a small demand for the Continent and a few orders from India; but supplies are large.

	July 23	24	26	27	28	29
London ...	22 1/2	22 1/2	22 1/4	22 1/4	22 1/4	22 1/8
India ...	Rs. 58 1/2	58 1/2	57 1/2	58 1/2	58 1/2	58 1/2
Exchange	1 3/4	1 3/4	1 3/4	1 3/4	1 3/4	1 3/4

# Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

Settlement Days.	TICKET DAY.	PAY DAY.	CONSOLS.
	Wed., Aug. 11 Thurs., Aug. 26	Thurs., Aug. 12 Fri., Aug. 27	Thurs., Aug. 5 —

DEALINGS in the new £600,000,000 Loan have now commenced, and to-night the quotation closes at 98 1/2. The market is a free one. In the discussion as to the effect of the War upon the prices of Stock Exchange

securities a great deal of loose talk is heard about the effect of the War upon the wealth of the country and the great losses that will result. As the views expressed even by thoughtful people are so far from what is likely to occur, it may be desirable to state that it is extremely difficult for a country to live upon its accumulated wealth, and that it is forced by circumstances to keep its expenditures, whether for war or for other purposes, within its income plus the moderate amount of money that can be realised by withdrawing capital from other countries and by using up stocks of goods at home. Even in the case of Great Britain, which possesses abroad a substantial amount of capital that can be brought home, the quantity is limited, and inasmuch as our withdrawals of money from abroad are attended by fresh loans to our Allies and Colonies, as well as to foreign customers, the net withdrawals of capital are very small.

Just at the moment the situation is such that we owe the United States and other countries large sums for goods purchased, but this is a temporary matter and is entirely due to the fact that the War expenditures have not so far been attended by any appreciable economies in civil expenditures. A great many people are desirous of introducing economy into their expenditures, but they have not yet succeeded in doing so.

Last week, however, the Prime Minister informed a deputation of bankers and merchants that waited upon him that the Government intended to take measures to cover the Budget deficiency, to curtail imports, and to increase exports. If the Government succeeds in accomplishing its purpose it is obvious that the country will not have to live upon its capital, but will succeed in meeting its War expenditures out of the recurring income of the nation. Of course the Government in any case must continue to raise large loans and add to the debt of the country as long as the War lasts, but provided that the trade balance is not adverse, this merely means that the people of the country will themselves subscribe all the money required.

We would also call attention to the fact that even if the War lasts for a long time the position of the nation will be infinitely stronger than it was at the close of the Napoleonic wars. At that time the nation's debt was about £900,000,000, while its income was only from £250,000,000 to £300,000,000. In other words, the debt of the nation was equal to over three times the aggregate amount of its annual income. Immediately before the present War began (and we anticipate after the war is over also), the income of the nation was in the neighbourhood of some £2,400,000,000. Thus, if a debt of £3,000,000,000 is incurred, it will represent not much more than one year's income, whereas one hundred years ago the debt then created represented three years' income. Of course, the increase of taxation for the purpose of meeting the interest on this debt will be very large, but even then the burden of taxation will be much smaller in proportion to the income available for meeting it than was the burden of taxation after the last really great war in which Great Britain was engaged.

If holders of securities will bear these facts in mind they will not become seriously anxious about the future course of prices. If the country becomes increasingly efficient during the War, and if it also becomes less wasteful in its expenditure, it is obvious that the amount of capital it will have for investment as soon as the War is over will be very large, that prices of securities will show marked recovery, and that no long period will elapse before the Government credit is again restored to a normal level, and with it the prices of other securities.

Of course, everyone will recognise that the rate of interest on British Government loans has been raised to 4 1/2 per cent. in order that the country may find not

only all the money it needs to meet its own War expenditures, but in order that it may find a large sum of money to enable the Allies to purchase from abroad the munitions and goods they require to import. It would be the height of folly not to pay a rate of interest which will enable the country to secure all the money it needs to finance the War, however long it may last. But it should be realised that current rates of interest are likely to be only temporary, and that persons who effect economies in their expenditures at the present time in order to place capital at the service of their country will be richly rewarded when the War is over. In brief, investors who save money at the present time will derive benefit not only from the high rate of interest, but also from the great subsequent increment in values that must occur when the country is victorious and the War comes to an end.

## HOME RAILWAY DIVIDENDS.

### NORTH STAFFORDSHIRE RAILWAY.

TWELVE months ago the North Staffordshire Railway Company paid an interim dividend at the rate of  $3\frac{3}{4}$  per cent. per annum, as against 4 per cent.; but, notwithstanding the fact that it will receive this year an additional net revenue from the Government amounting approximately to £17,000, the interim dividend is further lowered to  $3\frac{1}{2}$  per cent. The smaller dividend means the distribution of £4,500 less profit, so that, assuming there is no change in the final dividend, the Company will this year have an extra sum of about £21,500 with which to meet the War bonus and increase in capital charges. Moreover, it may be noted that the profits for 1914 were some £10,000 in excess of the sum needed to pay the dividend of  $4\frac{3}{8}$  per cent., and this year, therefore, it should be in a position, after paying the extra charges, &c., to at least maintain the dividend at the 1914 level. To do this, however, will necessitate an increase in the final dividend from 5 per cent. to  $5\frac{1}{4}$  per cent., and it remains to be seen whether this will be the policy of the directors, or whether they will act very conservatively and add considerably to the reserve fund. The dividend for the past twelve months is  $4\frac{1}{4}$  per cent., as against  $4\frac{7}{8}$  per cent., and with the price of the stock at about 69½, the yield afforded is slightly over £6½ per cent. Were the dividend for the calendar year maintained at  $4\frac{3}{8}$  per cent. the yield would be nearly £6½ per cent. The dividends paid in recent years have been as follows:—

#### North Staffordshire.

	1914-15.	'13-14.	'12-3.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half ...	5	6	5	5	5	4½	4½	4½	4½	4½	4½	4½
June half ...	3½	3½	4	3½	4½	4	3½	3½	4	4	3½	3½
Year ...	4½	4½	4½	4½	4½	4½	3½	4	4½	4½	4	4

### GREAT NORTHERN OF IRELAND.

The interim distribution of this Company is maintained at the rate of 5 per cent. per annum, but inasmuch as the dividend for the December half of last year was reduced from 7 per cent. to 6 per cent., the distribution for the twelve months is  $5\frac{1}{2}$  per cent., as against 6 per cent. Like the Great Southern and Western, the Company is conservative in its division of profits, and last year it earned nearly £16,000 in excess of the sum needed to pay the dividend of  $5\frac{1}{2}$  per cent. This year it should be still better. For the 29 weeks to July 23 the increase in traffic receipts is as much as £23,450, or 3.7 per cent., and if the present rate of improvement continues, the gain for the year will be nearly £50,000. How much of this additional revenue will be added to net profits is, of course, problematical, but it is clear that no difficulty will be experienced in at least maintaining the dividend at  $5\frac{1}{2}$  per cent., and at the same time adding to reserves. In the last dozen years the distributions have fluctuated between  $6\frac{1}{2}$  per cent. and  $5\frac{1}{4}$  per cent., the lower rate having been paid in the twelvemonth to June 30, 1913. This will be seen from the following comparison:—

#### Great Northern of Ireland.

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half ...	6	7	5½	6	6½	6	6	6½	6½	6½	6½	6½
June half ...	5	5	5	4½	5½	5½	5	5½	6½	6½	6½	6½
Year ...	5½	6	5½	5½	5½	5½	5½	6½	6½	6½	6½	6½

With the price of the stock at 101, a yield of £5 11s. 8d. per cent. is forthcoming from the existing rate of distribution.

### GLEAT SOUTHERN AND WESTERN (IRELAND).

The announcement of an interim dividend at the rate of  $4\frac{1}{2}$  per cent. per annum in respect of the current year makes the seventh consecutive payment at this rate. For the past twelve months the dividend is 5 per cent., or the same as distributed last year and the year before. The distributions of the Company do not, however, fully represent the profits earned, and there is no doubt that this year the amount available will far exceed the sum needed to maintain the dividend. Last year the balance for the Ordinary was £283,105, and although this was some £33,000 smaller than in 1913, it was nevertheless sufficient to pay the dividend of 5 per cent., with a surplus of nearly £17,000. The Company is, moreover, doing exceedingly well in the current year, and for the 29 weeks to July 23 has secured an increase in traffic receipts of £87,475. Expenses will, of course, absorb a portion of this increased revenue, and capital charges will be heavier. Still, if the present rate of improvement continues, the Company may easily earn a profit equal to an additional dividend of  $\frac{3}{4}$  per cent. to 1 per cent. on the Ordinary stock. We do not imagine for a moment that any increase in the distribution will be made, but the fact remains that profits are likely to show a substantial improvement on those of last year, and that the margin behind the 5 per cent. dividend will be much larger than it was at the close of 1914. At a time like the present it behoves the railway companies to conserve their resources as much as possible, and if the Irish railways are able to maintain their dividends, and at the same time to add largely to their reserves, they will be in a fortunate position when the affairs of the nation again become normal. The dividends paid by the Company in recent years have been as follows:—

#### Great Southern and Western (Ireland).

	1914-15.	'13-14.	'12-3.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half ...	5½	5½	5½	5½	5½	5	4½	4½	4½	4	3½	3½
June half ...	4½	4½	4½	4½	4½	4½	4½	4½	4½	3½	3½	3½
Year ...	5	5	5	4½	4½	4½	4½	4½	4½	3½	3½	3½

The price of the stock is about 95, and the 5 per cent. dividend now being distributed yields the investor about £5½ per cent.

### MIDLAND GREAT WESTERN (IRELAND) RAILWAY.

An interim dividend at the rate of 2 per cent. per annum is announced by the Midland Great Western (Ireland) Railway Company in respect of the current year. Although this is the same as distributed twelve months ago, there is little doubt that the profits of the line have increased. The Irish railways are not under the control of the Government, and their traffic returns are published as usual. According to these the Companies are doing exceedingly well. The earnings of the Midland Great Western Railway for the 26 weeks to July 2 showed an increase of £9,370, or about 3 per cent., and they have since further expanded. No doubt expenses have also risen, but with little or no increase in interest charges. Some additional profit for the half-year has probably been secured. At any rate, the position of the Company is satisfactory, and there is no doubt that it will be able this year to at least maintain the 2 per cent. dividend distributed for the whole of 1914. The profit earned last year amounted to £67,500, and although this was smaller by about £5,300 than the profit of 1913, nevertheless the dividend of 3 per cent. distributed in respect of the latter

year was fully earned, and doubtless would have been forthcoming had the outlook been less uncertain. In the circumstances it was considered prudent to lower the dividend to 2 per cent., and to apply the increased balance thus provided in strengthening the financial position of the undertaking by adding £10,000 to reserve and by raising the balance carried forward by a similar amount. Even supposing, therefore, that the Company does no better this year than last (and judged by the traffic returns it will do better) the profit for dividend will be at least equal to 3 per cent. on the share capital, and, including the increased balance brought forward from 1914, will show a divisible surplus equal to 3½ per cent. on the Ordinary. The distributions in recent years have been as follows:—

Midland Great Western (Ireland) Ordinary.													
	1914-15	'13-14	'12-13	'11-12	'10-11	'09-10	'08-9	'07-8	'06-7	'05-6	'04-5	'03-4	
Dec. half	2	4	3	3	3	3	3	3½	3	3	3	3½	%
June half	2	2	2	3	3	3	3	3	3	3	3	3	%
Year ...	2	3	2½	—	—	3	3	3½	3	3	3	3½	%

With the price of the stock at about 37½ the yield from the dividend of 2 per cent. is £5 8s. per cent.

#### PORT TALBOT RAILWAY.

Largely owing to the agreement entered into some years ago with the Great Western Railway, the shareholders of the Port Talbot Railway and Docks Company are practically assured of a minimum dividend of 9 per cent. An interim dividend at the rate of 9 per cent. per annum is now declared in respect of the past half-year, making the third consecutive payment at this rate. The changed conditions under which the railways are worked at the present time may have led to uneasiness lest the Company should be unable to maintain so good a dividend. But at the last annual meeting the Chairman expressed confidence in the ability of the Company to do this, and stated that, despite the prevailing conditions, the dividend was not likely to be less than 9 per cent.

The excellent dividend record of the Company in recent years is appended:—

Port Talbot.													
	1914-15	'13-14	'12-13	'11-12	'10-11	'09-10	'08-9	'07-8	'06-7	'05-6	'04-5	'03-4	
Dec. half ...	9	9	8	6	4	3	3	4	2	1	Nil	Nil	%
June half...	9	9	9	8	6	4	3	3	2½	1	Nil	Nil	%
Year ...	9	9	8½	7	5	3½	3	3½	2½	1	Nil	Nil	%

The price of the £10 Ordinary shares is about 17½, and on a 9-per-cent. dividend basis a yield of over £5½ per cent. is forthcoming.

(Continued on page 187.)

#### BARSI LIGHT RAILWAY.

THE directors of the Barsi Light Railway Company recently declared an interim dividend of 3 per cent., together with a bonus of 1 per cent., making 4 per cent. in all, or at the rate of 8 per cent. per annum in respect of the year to March 31 last. This compares with a distribution and bonus at the rate of 10 per cent. per annum a year ago. Until the outbreak of war the Company continued to do remarkably well, and in the six months to September 30 last there was an increase in traffic receipts of Rs.1,00,000. Unfortunately the War has had a serious effect upon the earnings of the line, and for the year to March 31 there was a decline of Rs. 1,68,450. According to the interim report recently to hand, the net profit of the year amounted to about £29,000, equal to a dividend of 14½ per cent. on the Ordinary shares. The final dividend may, therefore, be at least 8 per cent., making 8 per cent. for the year, as against 10 per cent. for 1913-14. With the price of the £10 shares about 12, such a distribution would afford a yield of as much as £6½ per cent. The crops during the past year have been above the normal, but since the commencement of the War the movement of goods has been restricted, owing to the difficulty of arranging shipments from Bombay and the consequent cessation of demand in that market for produce. The accumulations must, however, the directors state, eventually come over the line.

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## Mining Topics.

THERE has been very little business done in the mining departments of the Stock Exchange this week, the disposition being to mark time pending a more assured outlook in regard to the termination of the War. Moreover, the £600,000,000 War Loan has absorbed for the time being a large proportion of the funds available for investment. On the other hand there appears to be no pressure to sell, and the knowledge that prices in many instances have reached a very low level helps to maintain quotations. Naturally, in view of the present state of depression, there are anomalies to be found. We need mention only one—Russo-Asiatic shares at 3½. Included in this Company's assets are 1,100,000 shares of the Irtysk Corporation, their market quotation being 30s. per share, representing a total valuation of £1,650,000. Russo-Asiatic's issued capital is 300,000 £1 shares, so that the market value of its Irtysk holding is equivalent to 5½ per Russo-Asiatic share, in contrast with the market price of 3½.

In the South African Market Modder Deeps have been bought on the decision to increase the capacity of the plant to 40,000 tons per month, referred to below.

One of the most active shares during the week has been Oroville Dredging, which have risen to 15s. despite the publication of a poor return from the Pato, owing to the dredge working in ground known to contain low values. Among miscellaneous shares, Burma Corporation have receded to 35s. We understand that a report by the Technical Committee on the development results to June 30 is in course of preparation.

**Modder Deep.**—An official announcement has been made this week that the board of directors has decided to increase the capacity of the reduction works immediately to 40,000 tons per month by the addition of ten stamps and the necessary plant. The extension is expected to be completed about the middle of next year, and the estimated cost is £23,000. The present mill consists of 60 stamps and 6 tube-mills. The tonnage milled in June reached 34,200 tons.

Assuming a profit per ton of 18s., with the increased tonnage and consequently reduced expenses—in June the figure was 17s. 9d.—the annual free profits should be equal to a rate of dividend in the neighbourhood of 65 per cent. We recently estimated the life of the property on the use of 360,000 tons per annum at twenty-four years, and the increase of ore consumption to 480,000 tons per annum now decided upon would automatically reduce the life, say, to about eighteen years. The prospect of a much-increased dividend for the shorter life, however, indicates that even at their present price of 4½ Modder Deep shares are not overvalued.

## CANADIAN MINING CORPORATION.

In March 1914 two English-controlled Cobalt silver-mining undertakings and part of a third, namely, the Cobalt Townsite, Cobalt Lake, and Townsite Extension, were amalgamated with a comparatively little known Canadian concern, the City of Cobalt Mining Company, Limited. The issue of the first annual report of the amalgamated Company enables one to judge to some extent the outcome of the fusion.

For the purpose of the amalgamation a new Company was formed in Canada, entitled the Mining Corporation of Canada, which took over the four properties. This Company has an issued capital of \$2,075,000, in \$1 shares, and an English-registered Company, the Canadian Mining Corporation, Limited, with an issued capital of £1,529,130, holds 1,911,319 \$1 shares of the Canadian Company. The old English Cobalt Townsite Company, with an issued capital of 200,000 £1 shares, received 600,000 £1 shares of the new Company; the Cobalt Lake Company, having an issued capital of 254,790 £1 shares, received 509,580 new shares; and for 1,807,918 \$1 shares of the City of Cobalt 359,538 £1 shares of the new Company were given. The terms of the amalgamation were strongly criticised as unfair to the English companies. At the time Cobalt Townsite £1 shares were quoted at about 2¾, Cobalt Lake at 1½, and City of Cobalt \$1 shares at about 40 cents in Toronto. Consequently the market value of Cobalt Townsite shares passed over to the new Company was about £550,000, of Cobalt Lake shares about £364,000, and of the City of Cobalt about £150,000. The present market price of the £1 shares of the Canadian Mining Corporation is about 7s. 6d., so that the 600,000 shares of the amalgamated Company the Cobalt Townsite shareholders received have now a market value of £225,000, the 509,580 shares received by Cobalt Lake shareholders have now a valuation of about £191,000, and the 359,538 new shares exchanged for City of Cobalt scrip have a valuation of not quite £150,000. Thus it has happened that whereas in respect of market valuation the shareholders of the two English companies have lost heavily in the period of a little over a year since amalgamation, there is very little difference between the present market value of the new shares given for City of Cobalt shares and the market valuation of the City of Cobalt shares at the time of the amalgamation. In other words, what appears to have happened is that the market's valuation of the amalgamated concern has been reduced to coincide with the valuation of the City of Cobalt at the time of the fusion. The following shows this in a nutshell:—

—Old Companies—				—New Company—			
Shares	Market	Appr.	Market	New	Present	Appr.	Market
Passed	Price	Value	Value	£1	Market	Price	Value
Over in	per			Given	Sh.	per	ton
Mar. 1914	Sh.	£		for Old	Sh.	£	
Cobalt Townsite (£1)...	20,000	2½	550,000	600,000	7/6	225,000	
Cobalt Lake (£1)...	254,790	1½	414,000	509,580	7/6	191,000	
City of Cobalt (\$1)...	1,837,918	40 cents	150,000	359,538	7/6	147,000	

It would appear from the above that from the point of view of the two English companies the opposition to the amalgamation scheme has been justified by events; but it has to be recognised that a considerable proportion of the depreciation in the value of the new Company's shares has been due to exceptional circum-

stances, such as the War and the fall in the price of silver. A comparison of the operating results obtained before and since amalgamation throws some light upon this subject, but inasmuch as the City of Cobalt's results for the year prior to amalgamation were not obtainable, it is only possible to contrast the results obtained by the Cobalt Townsite and Cobalt Lake companies as separate entities with the results obtained by the amalgamated undertaking, which includes the City of Cobalt, Townsite and Lake properties. In regard, first, to the production of silver, we contrast below the outputs attained by the amalgamated Company and by the Townsite and Lake companies before the amalgamation. The periods are unequal, but this cannot be helped.

### Production Results Compared.

	Cobalt Townsite (11 Months to Sept. 30, 1913)	Cobalt Lake (12 Months to Dec. 31, 1913)	Amalgamated Company —9 Months to Dec. 31, 1914—		
			Townsite- City	Lake Property	Total
High-grade—					
Ore (tons) ...	984½	—	408	256	664½
Silver yield (oz.) ...	1,515,317	170,133	911,205	356,342	1,267,547
Yield per ton (oz.) ...	1,539	—	2,229	1,392	1,907
Low-grade—					
Ore milled (tons) ...	34,125	37,616	66,546	40,173	106,719½
Silver yield (oz.) ...	552,236	754,045	1,401,268	516,309	1,917,577
Yield per ton (oz.) ...	16.2	20.0	21.0	12.8	17.97
Total Ore (tons) ...	35,109	37,800*	67,054	40,429	107,384
Silver yield (oz.) ...	1,987,922	924,178	2,312,473	872,651	3,185,124
Yield per ton (oz.) ...	56.6	24.5*	34.5	21.5	29.66

\* Approximate.

The chief point brought out in the above comparison is the reduction in the silver output from high-grade ore, and the large increase in the quantity of silver obtained from low-grade ore, as a consequence of which the average value of the ore treated by the amalgamated Company exhibits a heavy decline in comparison with the combined showings of the two separate companies prior to amalgamation.

There is one apparently satisfactory result of the amalgamation. Treating, as the amalgamated Company now does, a very much larger quantity of ore than did the separate companies, it has been able to pull down working costs. In this connection it will be noted that 40,173 tons of ore obtained from the Lake property by the amalgamated Company in 1914 yielded an average of only 12.8 oz. of silver per ton, or, say, \$6.5 per ton with silver at the average price realised of 51.2 cents per ounce. As the total working costs for the nine months averaged \$8.3 per ton, it is obvious that this large quantity of Lake ore was exceptionally cheaply got out, and it follows that the mining and treatment of this ore contributed considerably to the reduction of the average working costs. The extent of the reduction in working costs obtained by the amalgamated concern, in comparison with the two separate companies, will be seen from the following table, which also shows the reduced price realised for the silver and the net profits. As regards the profits, it should be borne in mind that the amalgamated Company includes the City of Cobalt, whose operating profits in the year prior to amalgamation were not published on this side, and cannot, therefore, be set out with the results of the Cobalt Townsite and Cobalt Lake:—

	Total Ore Shipped and Milled Tons	Total Silver Shipped Oz.	Aver. Price Realised per Oz. Certs	Re- venue per Ton \$	Total Work- ing Costs per Ton \$	Net Profit per Ton \$
Townsite Co.						
11 mos. to Sept. 30, 1913	33,109	1,987,921	60.2	34.3	17.3	598,141
Lake Co.—						
12 mos. to Dec. 31, 1913	37,800*	924,178	58.5	15.1*	9.1*	221,513
Amalgamated Co.—						
9 mos. to Dec. 31, 1914 ..	107,384	3,185,124	51.2	15.3	8.3	751,106

\* Approximate.

The above results were obtained by the Canadian-registered undertakings. Of the net profit of \$751,106 (£150,221) earned by the amalgamated Canadian undertaking—the Mining Corporation of Canada—in the nine months to December 31, 1914, \$259,375 (£51,875) was distributed by way of divi-

dends, and as much as \$192,736 (£98,546) carried to balance-sheet, strengthening the financial position so that the surplus liquid assets at December 31 amounted to about £125,000. The English-registered undertaking—the Canadian Mining Corporation, Limited—holding the majority of the shares of the Canadian concern, makes up its accounts for the year ended March 31, 1915. During that period the Company received £98,153 from dividends on its holding of shares in the Canadian concern. Directors' fees, one-third preliminary expenses written off, income tax, and office expenses, less small sundry revenue, amounted to £7,810, leaving a net profit of £90,343 for the year. Two dividends on account of the year, aggregating 5 per cent., absorbed £76,456, and £13,867 was carried forward. It would appear that if the Canadian Company's profits for the twelve months had been more liberally distributed the English Company would have been able to pay a larger dividend, possibly 10 per cent. for the year instead of 5 per cent. At the time of the amalgamation it was officially estimated that the profit of the amalgamated Company for the first year would amount to about £285,000. The actual profit for the first nine months was £150,000, or equal to £200,000 per annum. The fall in the price of silver does not account for much more than half of the difference.

While it appears that so far shareholders of the old Townsite and Lake Companies have come off badly through the amalgamation, still it looks, despite the fall in the price of silver, as if the depreciation in the £1 shares of the Canadian Mining Corporation to 7s. 6d. is rather overdone. It is true that the ore reserve position is not strong, the high and low grade ore in sight amounting at December 31, 1914, to 94,026 tons, containing 3,209,440 oz. of silver, whereas the production in nine months to end December was 3,185,124 oz. from 107,384 tons; but the Consulting Engineer speaks very hopefully of the prospects in regard to the further development of the north, or City of Cobalt section, and it is believed also that a very large quantity of low-grade ore will be available now that the Cobalt Lake has been drained.

#### Ore Reserves.

	High-Grade Ore— Silver Contents		Low-Grade Ore— Silver Contents		Total Ore —Silver Contents— Per Ton		
	Tons	Oz.	Tons	Oz.	Tons	Oz.	Oz.
Townsite...	209	473,003	76,113	1,522,260	76,322	1,995,260*	26.1
City	454½	869,200	17,249	344,980	17,704	1,214,180†	68.0
Total	663½	1,342,203	93,362	1,867,240	94,026	3,209,440	34.1

\* Compares with 2,140,560 oz. at Sept. 30, 1913.

† Compares with 1,500,000 oz. in March 1914.

It has to be recognised that it is the very small quantity of rich ore mined, and treated together with a large quantity of low-grade ore, that enables the large profits to be made, and failure to open up further quantities of this high-grade ore (the amount in sight at December 31, 1914, was only 663½ tons) would mean that low-grade ore of comparatively small profit value per ton when treated by itself would be the sole reliance for future dividends. Therefore, while it is conceivable that at the present price of 7s. 6d. the £1 shares of the Canadian Mining Corporation may be unduly depreciated, it must be recognised that they are of very speculative character and greatly dependent upon the capacity of the management.

**Hampden-Cloncurry Copper.**—The dividend of 2s. per share, or 10 per cent., announced this week, is the first distribution since 1913, owing to the dislocation of operations through the War and the necessity to provide for capital expenditure out of profits. We dealt fully with the Company's affairs in our issue of June 26. The financial position has been strengthened and the Debentures outstanding reduced to £20,000. The principal features of the directors' report and the accounts for the half year to February 28, 1915, will be found on another page.

## CHILE COPPER COMPANY.

### A NEW PRODUCER.

THE growth of the world's output of metal copper in the present generation, or, to be more correct, during the past 35 years, has been colossal. In 1881 approximately 40,000 tons was the production of the United States, of a total of some 163,000 tons produced by the world. For 1914 the figures may be roughly put at 514,000 tons for the United States, of an estimated total world's output of 893,000 tons. The total output of 1912 was placed at over 1,000,000 tons.

#### Approximate Output of Copper.

		World Tons	United States Tons	U.S. Proportion of Total %
1881	...	163,000	40,000	24½
1914	...	893,000	514,000	57½
Increase	%, say...	448 %	1,185 %	

Of the American producers, in recent years some important new undertakings have rapidly come to the front, and chief of these are what are termed the porphyry mines, whose ore is of very low-grade metal contents. In the circumstances of years ago these mines could not have been tackled, but modern metallurgical progress and the discovery of economical and efficient methods of mining and treatment made profits possible with such propositions.

We have frequently dealt with some of the big American copper mines. Since giving the working results of the Calumet and Hecla and the Anaconda—two of the older and better known companies—both last year and this, we have dealt with the position attained by more recent enterprises, such as the Utah, Ray, Chino and Miami.

A little over a generation ago the chief copper-producing country of the world was Chile, and for a great number of years the ruling price of the market for the metal was for what was termed "Chili Bars." With the decline in Chilean enterprise—enterprise which had been conducted largely with British capital—a new standard for quotations sprang up, and this was "G.M.B." (good merchantable brand), and later the "standard" copper has ruled quotations.

It is interesting to recall that the dominating price in olden times was for "Chili bars," for the reason that Chile looks like again becoming a large producer, and two copper enterprises operating in that country are likely to be much heard of in the near future. These two are the Braden and Chile Copper companies, both more or less directly American-owned properties. The Chuquicamata property, owned by the Chile Copper Company, has of late been much mentioned in the American Press, and while, perhaps, market reasons prompt some of such notice, the developments and discoveries made and the amount of work done in the matter of plant erection, &c., certainly justify attention being given to the company's affairs.

It is interesting to note that the Exploration Company of London holds some of the Convertible 7% bonds of the Chile Copper Co., the importance of whose property is such that we will proceed to explain the position according to official and semi-official statements that have been made. The Chuquicamata ore deposit, which was originally worked by natives, is reported, as to the Chile Company's ground, to be contained in a

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mining extent of 867 acres, and to exist in a run of some 8,000 feet in length with a maximum width of about 700 feet of mineralised ore, estimated to contain a net average of 2 per cent. copper contents. This deposit is situated approximately 165 miles to the north-east of the port of Antofagasta, and is on a hilly plateau over 9,000 feet above sea-level. In winter the region is intensely cold and also waterless. The brittle and readily friable ore is in the main covered by a capping of overburden, and is mined by a series of huge galleries driven under the barren capping. Here and there are immense masses of broken material at surface, described as "in a fine state of division."

In June last the quantity of ore estimated to be in sight was a little over 300 million tons. This may be largely exceeded. Apparently in large part the ascertainment of the quantity so far arrived at has been by drilling through the capping.

Simultaneously with the prosecution of development a large amount of work in connection with power provision and plant erection has been done. The power works are at the coast, some 85 miles distant from the mine, and generate electricity by steam, which is conveyed by cable to the mine at 100,000 volts. Near the mine the voltage is reduced at a sub-station.

Regarding the plant, the mills have a crushing capacity of 10,000 tons daily, and the first unit of such capacity was started May 1915. The ore is collected by steam shovels, put into 60-ton trucks, and carried about  $2\frac{1}{2}$  miles to the mill, where crushers and rollers deal with it. From the mill by belt conveyers the ore is transferred to six huge leaching tanks, each 110 feet wide, 160 feet long, and 18 feet high. The tanks are built of reinforced concrete, and lined with asphalt  $1\frac{1}{2}$  inch thick. In the leaching tanks diluted sulphuric-acid treatment is effected, and the process of leaching and washing the copper out of the ore occupies about six days—one to fill the tanks, two days' leaching operations, two days' washing and draining, and a day discharging the spent ore. The spent ore is removed by 15-ton grab buckets travelling on a bridge, and delivering ore to a belt conveyor, by which it is conveyed to the tailings dump. The copper-impregnated solution is pumped to a height of 60 feet into tanks, and from thence delivered to an electrolytic refinery, the first unit of which is of a capacity to deal with 335,000 lb. of copper per day.

The sulphuric acid required for treatment (9 lb. of  $H_2SO_4$  used per ton of ore) is obtainable from the ore, just as it is at Rio Tinto.

We have noticed unofficial statements to the effect that the Company has, from preliminary tests, obtained an extraction of 90 per cent. of the assay contents. The expectation of such a rate of extraction may be ultra-optimistic, as the average recovery of the porphyry companies of the United States, such as the Utah, Ray, Chino and Miami, has been approximately 67 per cent. There may be a larger extraction in respect of a purely leaching process, but, taking an extraction, by leaching, of 70 per cent., this would equal, say, 28 lb. of metal per 2,000 lb. of ore as the outcome of the treatment of 2 per cent. ore. Hence an estimated 300 million tons in sight would mean a total extractable content of 3,750,000 tons of metal. Applying 28 lb. of copper as recoverable per ton of ore, and reckoning the first unit of plant capacity at 10,000 tons per day, we arrive at the following output for a year:—

10,000 tons of ore × by 300 working day =	3,000,00
3,000,000 tons × by 28 lb. of copper per ton would yield,	
copper	37,500

We have seen the statement made that the engineers expect within six months to have the first unit smoothly outputting 10 million pounds a month, to yield 120 million pounds, or some 53,570 tons, of metal a year. This assumes an extraction of the

whole of the assay value of 2 per cent. ore. In the above we have perhaps gone to an extreme in assuming only a 70 per cent. extraction, which, on the basis set out, would mean an output of 37,500 tons a year; but it may be mentioned that if there were an extraction of 80 per cent. it would mean an output of 42,854 tons, while an extraction of 90 per cent. would mean 48,214 tons. For convenience it may be stated that the extraction of the assay value from the ore would represent:—

	Full assay value	90 % extraction	80 %	70 %	Per Ton of Ore 40 lb.
...	...	...	...	...	36 "
...	...	...	...	...	32 "
...	...	...	...	...	28 "

It has been put forward as the intention of the Company to apply profits for a period to extension of plant, so as to add another two units, and bring up the total capacity to three times that of the first unit. It is enough for the moment to bring under observation the fact of a new entrant into the copper world which has the probability of very quickly attaining an output of some 37,500 tons additional copper annually. The Chile Company may, therefore, at a bound attain a position on its first year of production that took the Rio Tinto Company many years to reach.

In respect of other American-controlled copper enterprises, it is interesting to note the remarkable changes that have occurred in connection with some of the principal companies, and they are conveyed in the figures we give below, which show the quantity of copper produced in the years named. If the Chili Copper Company makes its bow with a production of 37,500 tons for the first year, it will attain at once the position of the third largest American or American-controlled copper undertaking.

#### Outputs of Leading American Copper Companies.

	Anaconda Tons	Calumet & Hecla Tons	Utah Tons	Ray Consoli- dated Tons	Chino Tons	Miami Tons
1895	44,547	35,329	—	—	—	—
1900	49,917	34,714	—	—	—	—
1905	42,411	42,455	—	—	—	—
1910	99,914	32,443	38,324	—	—	—
1911	115,851	33,094	41,747	—	—	6,683
1912	131,461	30,293	40,775	16,009	13,050	14,495
1913	120,982	20,097	53,523	24,259	22,550	14,799
1914	100,625	23,929	51,647	26,359	24,440	14,673

We defer remarks as to financing arrangements and estimates as to profits, having said enough for the time being to show the magnitude of the undertaking.

**Oroville Dredging.**—Capital issued, £644,206, in £1 shares. The following shows the dredging results of the Pato Mines (Colombia), in which the Oroville Company owns 70 per cent. of the share capital and all the issued £220,000 of 8% Income notes.

Pato Year ends	1914-15			1913-14		
	Cub. Yds. Treated	Gold Yield— Per Cub. Yard	Per Cents	Cub. Yds. Treated	Gold Yield— Per Cub. Yard	Per Cents
Sept. 30	232,350	108,850	46.8*	197,720	182,550	92.3
Nov. 24	147,100	155,500	105.3	163,550	106,800	65.3
Jan. 19	179,700†	85,300	47.4	82,200	44,100	53.6
Mar. 23	—	—	—	—	—	—
Period to	—	—	—	—	—	—
Apr. 3	27,300	15,200	55.6	—	—	—
Apr. 27	62,500	41,250	66.0	—	—	—
May 18	44,000	36,000	81.8	93,583	19,622	20.9
June 1	58,000	26,350	45.4	27,300	9,616	35.2
June 8	32,500	14,500	44.9	18,526	9,419	50.9
June 26	—	25,000	—	—	12,950	—
July 20	149,000	17,500	11.2	102,730	67,025	65.2
Totals	—	525,450	55.0	—	452,052	62.6

\* Dredge accidentally sunk in September. Low-grade material dealt with when refloated.

† Including reworked tailings.

(a) Owing to dry season in 1914 dredging stopped from March 3 to April 25.

(b) 15 days only; working of dredge suspended for a time to fix pontoons to ensure stability. This has now been successfully accomplished.

(c) Yardage not given.

(d) Dredge worked in area where boreholes showed values to be low.

Dividends (Oroville Company)—1909-10,  $2\frac{1}{2}$  per cent.; 1914, March,  $2\frac{1}{2}$  per cent.; Aug.,  $2\frac{1}{2}$  per cent.; 1915, March,  $2\frac{1}{2}$ ; June,  $2\frac{1}{2}$  per cent.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, July 28, 1915.

## Issue Department.

Notes Issued.....	£78,390,760	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	59,940,760
	£78,390,760		£78,390,760

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ...	£53,157,910
Reserve .....	3,404,008	Other Securities .....	192,195,214
Public Deposits.....	177,846,201	Notes .....	44,859,425
Other Deposits .....	95,540,497	Gold and Silver Coin .....	965,740
Seven-day and other Bills .....	44,593		
	£281,178,289		£281,178,289

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Both Depts.	Deposits		Securities		Re-serve	Ratio Reserve to Liabilities.	Bank Rate *	Three Months' Bills
			Public	Other	Govt.	Other				
1914.	£	£	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	40.03	4	42
1915.										
June 23	33.1	54.1	99.6	109.6	51.0	138.4	39.5	18.87	5	41
June 30	34.6	52.1	81.5	140.6	51.0	152.9	35.9	18.16	—	4½
July 7	35.1	53.3	67.9	139.8	51.0	137.9	36.6	17.83	—	4½
July 14	34.6	53.1	62.9	158.0	51.7	140.0	37.1	17.58	—	4½
July 21	33.8	59.4	109.2	134.6	53.1	164.6	44.1	18.08	—	5½
July 28	33.6	60.9	117.6	95.6	53.1	192.2	45.8	18.77	—	5½

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 6, 8%; Aug. 8, 5%

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.	£	£	£	£	%
Total to June 23 ..	119,367,554	73,470,514	45,897,040	28,500,000	62.1
Week to July 7 ..	2,403,224	1,723,463	46,576,801	28,500,000	61.2
July 14 ..	2,774,292	1,291,945	48,059,148	28,500,000	59.3
July 21 ..	2,855,087	1,615,764	49,298,471	28,500,000	57.8
July 28 ..	2,148,872	5,061,079	46,396,264	28,500,000	61.4

## II.—Balance Sheet, July 21, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound .....	35,348,722	Other Bankers .....	3,204,000
Ten Shilling .....	11,037,543	Currency Note Redemption A/c—	
Investments Reserve A/c .....	303,236	Gold Coin and Bullion .....	28,500,000
		Government Securities .....	9,585,828
		Balance at Bank of England .....	5,399,673
Total .....	46,689,501	Total .....	46,689,501

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Receipts.	Withdrawals.
1915.	£	£
July 22, Thursday ...	Nil.	Nil.
July 23, Friday ...	65,000 sovs. Egypt.*	Nil.
July 24, Saturday ...	Nil.	Nil.
July 26, Monday ...	Nil.	250,000 Misc. sovs.†
July 27, Tuesday ...	62,000 bars.	Nil.
July 28, Wednesday ...	725,000 bars.	Nil.
Total for week ...	852,000	250,000
Balance ...	[602,000 In for week.]	
July 29, Thursday ...	Nil.	350,000 bars.
		200,000 Misc. sovs.†

\* Released.

† Set aside.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£30.0	£30.1	£29.8	£29.7	£33.5
Public Deposits .....	10.7	18.0	10.9	12.7	177.6
Other Deposits .....	43.6	41.8	40.8	54.4	95.5
Government Securities .....	16.8	13.9	12.7	11.0	53.1
Other Securities .....	29.1	34.8	29.2	47.3	192.2
Reserve .....	26.5	29.1	27.9	26.9	45.8
Ratio to Liabilities .....	48.3%	48.66%	53.84%	40.03%	16.77%
Bullion (both Departments) ...	38.0	40.7	38.3	33.1	60.9
Money:—					
Bank of England Rate .....	2½%	3%	4½%	4%	5%
Bank of France Rate .....	3%	3%	4%	4½%	5%
Rate 3 months' Bills London ...	1½%	3%	4%	5%	5%
Exchange:					
Paris Cheque .....	25 13½	25 24½	25 25	24 90	27
Hamburg 8 days .....	20 47	20 45½	20 43	20 62	—
New York 60 days .....	4 84½	4 84-60	4 83-20	nom.	4 72
Bombay Telegraphic Transfers	1/4-3/4	1/4	1/3-3/4	1/3-3/4	1/3-3/4
Prices:					
Consols 2½ % Cash .....	90 7½	74½	73 ½	69½	65
French Rente 3 % Money .....	99 40	92 20	84 95	77 25	69
Silver, London spot .....	-127½	-127½	-127½	-123	-122½
Wheat, Gazette average .....	32-2	38 9	33-10	34 0	53-10
Oatmeal, Mid Upland .....	-15-93	-17-42	-16-53	-16-91	-15-20
Iron, Scotch pig .....	49-4½	64-10½	64-0	57-3	72-6

## ARGENTINA.—Gold in Caja de Conversion.

June 30, 1915 .....	Pesos 229,634,839	July 3, 1915 .....	£5,635,846
June 23, 1915 .....	228,752,873	June 19 & 26 .....	5,972,149
Dec. 31, 1914 .....	221,703,321	Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	233,629,114	Dec. 31, 1913 .....	18,400,501
July 18, 1913 (maximum)	266,831,300	Feb. 19, 1913 (maximum)	26,772,300

## BRAZIL.—Gold in Caixa de Conversao.

July 3, 1915 .....	£5,635,846
June 19 & 26 .....	5,972,149
Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	18,400,501
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

DENMARK.	Gold.	Cash. Silver.	Total.	Dis- counts.	Balance Abroad.	Circula- tion.	De- posits.
July 31, 1914 ...	—	—	£4,352	£8,197	£788	£8,693	£47
May 31, 1915 ...	£5,947	£320	6,267	5,322	2,294	11,568	555
June 30, 1915 ...	5,850	318	6,268	5,672	2,187	11,944	710
June 30, 1914 ...	—	—	4,585	5,303	1,102	8,879	284
June 30, 1913 ...	—	—	4,350	5,183	1,180	8,638	217

FRANCE.	Gold.	Cash. Silver.	Total.	Bills.	Circula- tion.	Public Deposits.	Private Deposits.
July 30, 1914 ...	£165,854	£25,013	£190,867	£97,768	£247,327	£15,302	£37,930
July 22, 1915 ...	162,052	14,686	176,738	10,499	500,511	7,719	95,018
July 29, 1915 ...	165,174	14,721	179,895	11,199	593,701	8,844	85,195
July 30, 1914 ...	165,854	25,013	190,867	97,768	287,327	15,302	37,903
July 31, 1913 ...	134,489	25,095	159,584	73,616	227,073	15,523	26,297

GER- MANY.	Gold.	Cash. Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis- counts.	Circula- tion.	Deposits.
July 23, '14 ...	£67,843	£16,727	£84,570	£5,279	£40,055	£94,545	£47,198
July 15, '15 ...	119,622	2,379	122,001	15,513	233,391	270,812	88,820
July 22, '15 ...	118,678	2,441	122,119	16,037	228,265	285,739	85,977
July 23, '14 ...	67,843	16,727	84,570	5,279	40,055	94,545	47,198
July 23, '13 ...	67,835	14,852	72,687	3,543	51,985	91,300	35,697

HOLLAND.	Gold.	Cash. Silver.	Total.	Dis- counts.	Ad- vances.	Circula- tion.	De- posits.
Aug. 1, 1914 ...	£13,498	£249	£13,745	£13,422	£10,332	£35,680	£1,437
July 10, 1915 ...	30,553	150	30,708	6,157	8,930	42,030	3,095
July 17, 1915 ...	30,790	165	30,955	6,028	8,914	42,068	3,303
July 18, 1914 ...	13,428	681	14,097	7,850	5,107	28,075	352
July 19, 1913 ...	12,107	669	12,773	7,388	6,727	26,214	554

ITALY.	Gold.	Cash. Silver.	Total.	Other Cash.*	Loans & Disc'ts.	Circulation.	Deposits.
July 31, '14 ...	—	—	£48,456	—	£25,017	£69,204	£8,897
June 10, '15 ...	£45,822	£4,805	50,427	4,801	45,226	115,363	31,538
June 20, '15 ...	45,684	4,787	50,471	4,581	43,024	115,001	32,680
June 20, '14 ...	—	—	£48,800	—	19,418	62,878	8 810
June 20, '13 ...	—	—	50,118	—	19,140	61,733	8 384

\* Including foreign gold bills, State notes, and small change.

N. YORK BANKS & TRUSTS	Own Vaults.	Reserve. In De- positories.	Total.	Loans and Dis- counts.	Deposits.	Circula- tion.	Surplus Reserve.
Aug. 1, '14 ...	—	—	£99,888	£411,238	£387,185	£8,318	1,720
July 17, '15 ...	£36,840	£32,582	119,202	510,010	528,804	7,592	32,448
July 24, '15 ...	88,282	32,492	120,774	512,268	531,858	7,560	33,520
July 25, '14 ...	—	—	93,316	411,696	391,443	8,348	5,025
July 26, '13 ...	—	—	86,302	385,091	356,116	9,338	5,053

NORWAY.	Gold.	Balance Abroad.	Swed. Govt. Securities.	Dis- counts & Loans.	Circula- tion.	Deposits.
July 31, 1914 ...	£2,960	£1,873	£493	£4,868	£6,752	£793
June 30, 1915 ...	3,531	3,211	638	4,327	8,032	1,137
July 7, 1915 ...	3,598	3,216	637	4,348	8,115	1,114
July 7, 1914 ...	3,016	1,817	503	4,803	8,822	537
July 7, 1913 ...	2,593	1,478	503	4,341	8,266	343

RUSSIA.	Gold.	Cash. Silver.	Total.	Notes in Reserve.	Dis- counts.	Circula- tion.	Total Deposits.
July 21, '14 ...	£174,509	£7,393	£181,892	£6,589	£76,081	£163,411	£109,911
July 6, '15 ...	168,511	5,484	173,975	7,448	271,978	369,551	141,139
July 14, '15 ...	167,883	5,430	173,313	8,943	277,321	375,558	134,274
July 14, '14 ...	174,351	7,339	181,690	6,982	77,425	183,037	108,214
July 13, '13 ...	160,728	7,875	168,403	5,575	87,620	148,924	108,289

SPAIN.	Gold.	Cash. Silver.	Total.	Loans, &c.	Spanish 4 %	Circula- tion.	Deposits, &c.
Aug. 1, '14 ...	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955
July 10, '15 ...	27,632	29,563	57,195	42,000	13,777	80,375	27,928
July 17, '15 ...	27,669	29,644	57,313	41,924	13,777	78,846	27,188
July 18, '14 ...	21,878	29,140	50,819	40,292	13,778	78,774	19,301
July 19, '13 ...	18,358	29,883	48,241	39,696	13,778	75,214	17,068

SWEDEN.	Gold.	Balance Abroad.	Swed. Govt. Secs.	Dis- counts & Loans.	Circula- tion.	Deposits.
Aug. 1, '14 ...	£5,717	£8,150	£1,555	£7,495	£13,432	£3,903
July 10, '15 ...	6,297	4,496	2,703	7,708	15,341	4,814
July 17, '15 ...	6,298	4,721	2,695	8,212	14,947	5,873
July 18, '14 ...	5,878	6,410	1,556	5,361	11,753	3,835
July 19, '13 ...	5,701	3,783	1,087	7,518	11,204	3,084

SWITZER- LAND.	Gold.	Cash. Silver.	Total.	Dis- counts & Advances.	Circula- tion.	De- posits.
July 31, 1914 ...	£7,875	£238	£7,913	£10,391	£18,371	£3,128
July 15, 1915 ...	9,598	2,209	11,807	6,999	18,105	3,847
July 23, 1915 ...	9,801	2,232	11,833	7,217	15,928	4,033
July 23, 1914 ...	7,202	753	7,960	4,817	10,718	2,028
July 23, 1913 ...	6,787	1,259	8,026	4,861	10,431	2,105

U.S. STATES FED. RES. BANKS.	Gold Coin and Certs.	Cash.	Loans and Dis- counts.	Reserve Deposits.
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## III.—PUBLIC INCOME AND EXPENDITURE.

[000's omitted.]

1915. Period	Receipts—		Expenditures—		Treasury		Treasury	
	Total—	Supply Int. on	Debt Adv.	Services, &c.	Balance—	or—	Out-	stand-
	Revenue	Loans	Revenue	Loans	Revenue	Loans	Revenue	Loans
11 days to June 30	3,914	27,457	26,381	21,262	47,643	67,694	-20,186	250,559
10 " July 10	6,625	8,839	35,770	4,739	40,509	36,024	-31,670	251,813
7 " July 17	4,896	33,647	21,976	3,512	25,488	44,183	+ 8,159	249,497
7 " July 24	3,991	154,396	18,823	101,334	120,157	34,239	- 9,944	244,707
116 days to July 24, 1915	66,809	483,914	325,185	163,758	488,943	78,422	-5,029*	+167,557*
117 days to July 25, 1914	52,697	56,147	47,600	12,990	60,590	5,992	-4,443*	—

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

	July 29, '15	July 22, '15	July 15, '15	July 8, '15
LONDON ON—				
Holland..... 3 mos.	12 2/3	12 2/3	12 3/4	12 3/4
— " Cable	11 80/100	11 87/100	11 92/100	11 90/100
Italy..... 3 mos.	30 67/100	29 72/100	28 65/100	28 60/100
— " Cable	30 27/100	29 62/100	29 25/100	28 20/100
Lisbon & Oporto do.	36 1/2	36 1/2	36 1/2	36 1/2
— " do.	4 7/8	4 7/8	4 7/8	4 7/8
New York..... do.	4 7/8	4 7/8	4 7/8	4 7/8
— " Cheques	27 40/100	27 25/100	27 07/100	27 45/100
Paris..... 3 mos.	26 50/100	26 82/100	26 67/100	27 05/100
— " Cable	26 50/100	26 82/100	26 67/100	27 05/100
Petrograd..... do.	148 1/2	142 1/2	137 1/2	131
Scandinavia..... do.	18 25/100	18 55/100	18 70/100	18 16 1/2
Spain (Bank places) 3 mos.	46 1/2	46 1/2	46 1/2	45 7/8
— " Cable	25 10/100	25 12 1/2/100	25 05/100	25 57 1/2/100
Switzerland..... 3 mos.	25 97/100	25 55/100	26 05/100	26 17 1/2/100
— " Cable	25 57 1/2/100	25 66/100	25 65/100	25 77 1/2/100

## Foreign Rates of Exchange on London, &amp;c.

	July 29, '15	July 23, '15	July 16, '15	July 9, '15
Alexandria..... Sight	97 1/2 p.	97 1/2 p.	97 1/2 p.	97 1/2 p.
Amsterdam..... Sight	11d. 87/100	11d. 87/100	11d. 89c.	11d. 90c.
Bombay..... Transfers	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.
Buenos Ayres..... 90 days	48 1/2 d.	48 1/2 d.	48 1/2 d.	48 1/2 d.
Calcutta..... Transfers	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.	1s. 3 1/2 d.
Christiania..... Sight	18kr. 25	18kr. 55	18kr. 55	18kr. 20
Copenhagen..... Sight	18kr. 25	18kr. 55	18kr. 55	18kr. 20
Hong Kong..... Transfers	1s. 9d.	1s. 9d.	1s. 9d.	1s. 9d.
Italy..... Sight	30lr. 25c.	29lr. 70c.	29lr. 35c.	29lr. 35c.
Lisbon..... Sight	36 1/2	36 1/2	36	36 1/2
Madrid..... Sight	25p. 10	25p. 10	25p. 05	25p. 55
Montevideo..... 90 days	52 1/2 d.	52 1/2 d.	52 1/2 d.	52 1/2 d.
Montreal..... Cables	\$4 80	\$4 80	\$4 81 1/2	\$4 81
New York..... Sight	\$4 76 1/2	\$4 76 1/2	\$4 76 1/2	\$4 76 1/2
— " 60 days	\$4 71 1/2	\$4 72	\$4 72 1/2	\$4 73
— " Cables	\$4 77 1/2	\$4 77 1/2	\$4 77	\$4 77 1/2
— " on Paris Sight	5.65f.	5.64f.	5.56f.	5.64f.
— " on Berlin Sight	81 1/2 c.	81 1/2 c.	81 1/2 c.	81 1/2 c.
— " on Vienna Sight	15.10c.	15.20c.	15.10c.	15.12c.
— " on Amst'd'm Sight	40 1/2 c.	40 1/2 c.	40 1/2 c.	40c.
— " on Mexico Silver \$	38c. U.S.	36 1/2 c. U.S.	36 1/2 c. U.S.	36 1/2 c. U.S.
Paris..... Cables	27f. 05c.	26f. 50c.	26f. 60c.	26f. 87 1/2 c.
Petrograd..... Sight	145 1/2	143 1/2	138	131 1/2
Rio de Janeiro..... 90 days	13 1/2 d.	13 1/2 d.	13 1/2 d.	13 1/2 d.
Shanghai..... Transfers	2s. 2 1/2 d.	2s. 2 1/2 d.	2s. 2 1/2 d.	2s. 2 1/2 d.
Stockholm..... Sight	18kr. 25	18kr. 55	18kr. 55	18kr. 20
Switzerland..... Sight	25f. 55c.	25f. 62 1/2 c.	25f. 65c.	25f. 80c.
Valparaiso..... 90 days	8 1/2 d.	8 1/2 d.	8 1/2 d.	8 1/2 d.
Bar Gold, standard, per oz.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Silver (.925) per oz.	22 1/2 d.	22 1/2 d.	22 1/2 d.	22 1/2 d.

\* Previous day's rates. † Foreign exchanges current in New York, according to cable advices from Irving National Bank of that city.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*
BIRMINGHAM..... July 24	2,523,004	+ 1,160,750	48,806,708	+ 1,727,332	+ 3 1/2
BRISTOL..... " 24	943,000	+ 284,000	23,078,000	+ 738,000	+ 3 1/2
DUBLIN..... " 24	5,349,900	+ 2,293,700	110,123,400	+ 10,403,900	+ 10 1/4
LEEDS..... " 24	823,443	+ 409,530	18,974,460	+ 3,489,329	+ 22 1/2
LIVERPOOL..... " 24	361,984	+ 114,010	11,837,605	+ 2,498,957	+ 26 1/2
MANCHESTER..... " 24	8,382,032	+ 4,216,844	160,971,732	+ 17,473,477	+ 12 1/2
NEWCASTLE..... " 24	8,886,884	+ 4,078,887	197,036,380	+ 13,928,780	+ 8 1/2
NOTTINGHAM..... " 24	2,247,000	+ 1,283,000	42,338,300	+ 6,816,200	+ 13 1/2
BREFFIELD..... " 24	287,849	+ 3,178	10,336,480	+ 1,058,877	+ 9 1/2
LONDON..... 1915.					
TOWN..... July 28	275,750	- 19,570	6,123,067	- 2,664,495	- 30 3/4
METROPOLITAN..... " 28	19,575	+ 2,043	549,806	+ 24,751	+ 4 7/8
COUNTRY..... " 28	37,456	+ 12,858	895,711	+ 77,661	+ 9 1/2
[ TOTAL..... " 28	332,781	- 4,669	7,568,384	- 2,562,083	- 25 3/4

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH" OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1915	1915	1915
June 11	38,303	42,477
June 26	45,083	41,718
July 14	54,805	45,882
1915 agg.	531,380	318,167
1915	1915	1915
June 11	38,303	42,477
June 26	45,083	41,718
July 14	54,805	45,882
1915 agg.	531,380	318,167

\* Compared with a year ago.

## VI.—FREIGHTS.

According to Messrs. Farrar, Groves and Company, the following are the quotations for representative steam freights:—

HOMEWARDS.	1915.	1914.	Homewards—continued.	1915.	1914.
Alexandria to London/Hull 20/0			U.S. Atl. Ports to U.K.		
Australia to U.K. or Cont.	17/0		Cont. (grain).....	8/0	2/8
Azoff to L.H.A.R.	9/8		N.O. to L.H. (cotton).....	140/0	0
Bombay to p.p.	4.55/0d. w. 148		N.O. to U.K. (cotton, grain).....	9/9	—
Burma o.c.					
Calcutta to p.p.	68/9d. w. 17/8		OUTWARDS.—Cardiff to		
Danube to A.R.			Bomb. Col. Port River St. Vin.		
Odessa to L.H.A.R.	7/3		bay. omba. Said. Plate. cont.		
River Plate to U.K. Cont.	60/0	12/6	1915.....	22/8	27/3
U.S.Atl. Ports to L.H. (cot.)	30/9		1914.....	10/6	7/0

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

JULY 31.		1915.	1914.	1913.
METALS, MINERALS, &c.				
Iron—Scotch pig warrants..... ton	72/6	57/3	84/0	
— Middlesb'ro warrants..... ton	68 1/4	51 1/4	54 1/4	
— Hematite warrants..... ton	95/0	81/0	71/9	
— Staffordshire bars, London..... ton	112	89 10	89 10	
— Common bars..... ton	111 12/6	88 10	87 15	
— Stock, Middlesb'ro..... tons	144 9/16	82 0/16	194 30/16	
Steel Rails..... ton	29 2/8	25 1/8	28 12/8	
Copper—Standard..... ton	271 7/8	257 2/8	285 17/8	
— Stock, Europe & aft., June 30 tons	38 0/4	26 8/70	28 14/2	
Tin—English ingots..... ton	2180	2138 10	2185 21/10	
— Straits..... ton	2160	2135	2183 5	
Tinplates—Coke I.O..... box	18/10 1/2	12 0—12 1/2	13 1/4	
Lead—Soft Foreign..... ton	223 15	218 15	221	
Spelter—Ord. Foreign..... ton	2100	221	220 12 1/2	
Quicksilver—(75lb.)..... bottle	218	26 15	27 5	
Aluminium..... ton	2180—2170	282—284	286—288	
Antimony—Regulus..... ton	2120—2125	228—228	228 10—231 10	
Coal—Steam (best) Cardiff..... ton	nom.	21 6	20 9	
— (best) Newcastle..... ton	22/0	15/0	15/8	
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical cwt.	13/8	10 1/4	11/0	
Soda—Crystals ex ship..... ton	22 2/8—22 5/8	22 2/8—22 5/8	22 2/8—22 5/8	
Cochineal—Tenerife Silver..... lb.	2/1	1/10—2/0	1/11—2/4	
Copra—Malay & Straits..... ton	222 17/8	224 2/8—224 5/8	230 12/8—233 10	
Gambier—Good marks..... cwt.	30 9	18 10 1/2	17 3/4	
Indigo—Bengal good to fine, lb.	12/8—15/0	3/2—3/8	3/0—3/8	
Linseed Oil—Spot, barrels..... ton	228 5	225 12 1/2	225 15	
Linseed—Calcutta, spot..... 410lb.	55/3	52/3	49/0	
Olive Oil—Spanish..... tun	253—254	249—250	247—248	
Palm Oil—Lagos..... ton	231	231 10	238	
Petroleum—American..... gallon	7 1/2	7 1/2	7 1/2	
Rape Oil—Refined English..... ton	238—240	232	231 5	
Soya Oil..... ton	222 15	225	226 15	
Tallow—Aust. mixed..... cwt.	32/0—34/9	28 6—32 6	33 6—36 3	
Turpentine—Amer. Spirit..... cwt.	34 9	33 10 1/2	28 1/2	
Rape Seed—Toria..... 418lb.	50 6	51 6	51 1/4	
Rubber—Para, spot..... lb.	2 5/8	2 1/4	3 1/4	
— Fine plantation..... lb.	2 5/8	2 1/4	2 8 1/2	
— World's Vis. sup. (all kinds) Feb. ton	25 00/5	22 20/2	17 58/3	
Shellac—T. N. Orange, fair..... cwt	61/0	62/0—63/0	93/0—94/0	
TEXTILES.				
Cotton—Middling Upland..... lb.	5/20	5/6 1/2	5/8 1/2	
— Egyptian good fair..... lb.	5/6 1/2	5/8 1/2	5/9 1/2	
— Pernambuco, fair..... lb.	5/6 1/2	5/8 1/2	5/6 1/2	
— Mid. Upl. New York..... lb.	9 3/4	12 7/8	12 00/0	
— Stock, Liverpool, July 23 bales	1,573,880	869,280	792,080	
Flax—Petrograd, Yarpol..... ton	257	238	232 10	
Hemp—N. Zealand, g.d. fr. q'ty..... ton	232	228	231	
— Manila, fair strips..... lb.	237	225 10	231	
Jute—First Marks, spot..... ton	223	232	229 5	
— Red S.O.C..... ton	221	228 10	228 15	
Silk—Blue Elephant..... lb.	8 9	11 6—11 9	10 8—10 9	
Wool—Pl. Philip unwashed av. lb.	1/0—1/1	1/11—1/0	1/11—1/0 1/2	
— Lincoln Half Hogs..... lb.	1 1/8	1 1/8	1 1/8	
Hides—English Ox, 50lb. & over lb.	11/0—1/0 1/2	11/0—1/0 1/2	7 7/8—7 1/8	
Leather—Dressing Hides..... lb.	2/1—2/7	1/4—1/8	1/4—1/8	
VEG. FOOD, CORN, &c.				
Wheat—Viasup. U.S. July 25bush.	5,417,000	24,289,000	34,511,000	
— Red, price, N.Y. 60lb. bushel	144 1/2	98 1/2	95 1/2	
— English Gazette, aver. 480lb. qr.	53/10	34/0	33/10	
Flour—London, Whites ex Mill 280lb. qr.	46 0	32 8	31/0	
Barley—Eng. Gaz, aver. 400 lb. qr.	35 10	24 7	21 1/2	
Oats—Eng. Gaz, aver. 312lb. qr.	32 1/2	19 9	20 8	
Malze—N.Y. (new bushel) 50lb.	90 1/2	83 0	73 1/2	
— Amer. mixed, Liverpool 100lb.	8 9	6 2	4 11 1/2	
— La Plata..... 480lb. qr.	32 8	28 6	24 0	
Potatoes—Kents..... ton	75/0—80/0	70/0—75/0	92/8	
Rice—Imports since Jan. 1..... tons	27,377	10,804	7,870	
— Deliveries do..... tons	18,118	7,653	10,213	
— Stock..... tons	16,235	7,846	5,022	
— Price, Bassein..... cwt	16 1/8	6 10 1/2—7 11 1/2	7 8	
Tapoca—Pearl, medium..... cwt.	18 6—23 0	14/0—17 6	17/0—24/0	
Hay—Best..... 2,016lb. load	100 0—110 0	82 8	95 0—108 0	
Hops—English..... cwt.	28—26 6	28 5—27	25 10—28 10	
ANIMAL FOOD.				
Beef—Argen chilled hndrs. 8lb	5 9—6 0	3/10—4/4	3/2—3/7	
— Scotch sides..... 8lb	6 8—7 0	4 8—5 4	4 8—5 0	
— English..... 8lb	6 2—8 4	4 0—4 7	4 0—4 6	
Mutton—Scotch..... 8lb	6 4—6 6	5 8—6 0	5 4—5 8	
— English wethers..... 8lb	6 0—6 4	5 0—5 6	4 8—5 4	
— New Zealand frozen..... 8lb	4 7—5 0	2 3—3 3	2 9—3 0	
Pork—English..... 8lb	5 10—6 0	3/10—4 7	4 6—5 0	
Bacon—Irish..... cwt.	94/0—99/0	70/0—82/0	82/0—92/0	
— Danish..... cwt.	92/0—99/0	62/0—72/0	77/0—89/0	
Hams—Amer. long cut..... cwt.	72/0—78/0	76/0—80/0	82/0—90/0	
— short cut..... cwt.	68/0—72/0	73/0—75/0	81/0—85/0	
Lard—Amer. pails..... cwt.	42 9—43 9	36 8—53 6	59/0—59 6	
Butter—Danish..... cwt.	162/0—168/0	130/0—134/0	118/0—120/0	
— Siberian..... cwt.	120/0—132/0	104/0—114/0	88/0—100/0	
— French..... cwt.	120/0—142/0	104/0—114/0	86/0—106/0	
— New Zealand..... cwt.		114/0—122/0		
— Australian..... cwt.	138/0—142/0	108/0—116/0	94/0—108/0	
Cheese—Canadian..... cwt.	74/0—78/0	83 0—85/0	83/0—88 0	
— New Zealand..... cwt.	74/0—80/0	65/0—66/0	64/0—65/0	
SUGAR, COFFEE, TEA, &c.				
Sugar—Imports since Jan. 1 tons	358 693	448 268	518 458	
— Deliveries do..... tons	495 706	431 368	468 038	
— Stock..... tons	93 292	131 437	108 292	
— Price, Java, 96° Pol. .... cwt.	20 0	10 3	15 3	
— Mauritius, crystals..... cwt.	24/0—28/0	12/6—14/0	15/0—15/3	
— Tate's Cubes, No. 1..... cwt.	31/0	18 11	18 0	
Coffee—Imports since Jan. 1 tons	43 605	37 908	28 158	
— Home consumption do..... tons	12 493	9 183	9 73	
— Exports do..... tons	17 403	17 478	10 701	
— Stock..... tons	26 714	21 727	16 858	
— Price Costa Rica gd. to fine cwt.	78 0—85 0	80/0—83/0	78 0—85 0	
— Brazil (Santos) spot..... cwt.	163 860 780	123 230 272	117 480 581	
Tea—Imports..... (for 6 months) lb.	166 499 597	155 447 972	149 687 885	
— Home consumption do..... lb.	29 968 213	28 581 785	27 098 250	
— Exports do..... lb.	79 617 000	77 438 000	77 099 000	
— Stock, June 30..... lb.				
— Price, Indian, Pek. Song, good lb.	1 0 1/4	7/8	7/8	
— Ceylon, Pek. Song, Ord..... lb.	1 1/11	7/8	7/8	
— Common Congon..... lb.	8/11	7/8	7/8	
Cocoa—Grenada good to fine cwt.	80 8—83/8	63/0—55/8	67/0—69/0	

# VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Bel. & C. Down	July 23	80	—	£4,900	—	222	108,288	+ 10,530
Cork, Ban. & S. C.	July 23	103	—	1,827	+	93	59,347	+ 3,024
Dublin & S. E. J.	July 23	180	—	6,447	+	174	154,539	+ 3,275
Gt. Northern	July 23	681	—	25,835	+	1,035	657,750	+ 23,450
Gt. S. & Western	July 23	1,130	—	35,598	+	1,678	927,554	+ 87,475
Mid. Gt. West.	July 23	638	—	12,367	—	1,277	361,985	+ 9,438

\* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Assam Bengal	July 19	862	+11	1,36,000	+ 4,142	12	15,33,079	+ 56,998
Bard Light	June 26	118	—	15,400	—	4,000	3,00,300	— 88,700
Bengal & N. W. J.	July 19	4,041	+13	3,79,080	+ 47,882	12	46,46,047	+ 7,70,186
Bengal Doonars	June 19	163	—	30,802	—	2,071	2,82,727	+ 34,201
Beng. Nacpur	July 26	2,685	+ 7	7,90,000	+ 78,000	13	1,00,75,000	+ 3,65,000
Bomb. Baroda	July 24	2,859	+32	9,29,000	+ 26,000	17	2,03,13,000	+ 5,60,000
Burma	June 19	1,342	—	3,64,953	—	77,830	12,47,51,679	+ 8,46,119
East Indian	July 24	2,718	—	20,14,000	+ 70,000	17	3,57,72,000	+ 8,03,000
Gt. Indian Pen. J.	July 17	2,881	+15	13,18,600	+ 144,200	16	2,55,17,769	+ 14,22,083
Madras & S. M. J.	July 19	3,132	—	1,935,000	—	3,876	11,04,499	+ 17,438
Nizam's Guar. J.	June 28	797	—	1,67,161	—	35,017	25,16,886	+ 6,39,846
Roh & Kumaon	June 19	560	+18	72,253	+ 11,118	12	9,22,367	+ 47,898
South Indian	June 26	1,763	+10	5,74,485	+ 3,966	13	71,11,332	+ 4,64,087
South Punjab	Mar. Mar.	923	—	6,89,429	—	1,15,571	37,46,996	+ 6,23,212

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Can. Northern	July 21	4,965	+295	\$277,100	+ 101,800	3	815,000	+ 300,900
Can. Pacific	July 21	12,921	+882	1,670,000	+ 582,000	3	4,971,600	+ 1,889,000
Gd. Trk. Pac.	July 21	916	—	59,354	—	7,074	31,314	+ 19,184
Grand Trunk J.	July 21	4,008	—	160,366	—	8,876	4,287,198	+ 420,464
Ord. Trunk W. J.	July 21	338	—	29,507	—	1,377	801,092	+ 8,564
Det. Grd. Ha. J.	July 21	189	—	11,681	—	1,335	282,026	+ 9,160
Mashonaland	Mar. May	751	—	36,180	—	25,895	304,490	+ 202,735
Mid. W. Aust. M. of May	July 21	877	—	5,795	—	4,952	93,781	+ 43,983
New Cape Cent.	June 26	205	—	1,954	—	222	48,491	+ 951
Rhodesia Ry. M. of May	July 21	1,397	—	61,504	—	26,653	483,135	+ 200,962

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Akor & Gandia	July 24	33	—	Pa. 10,000	—	2,000	390,900	+ 10,000
Antofagasta	July 25	819	—	31,820	—	4,210	655,475	+ 412,359
Arauco	Mar. May	844	—	6,150	—	2,700	32,625	+ 10,162
Arg. N. East.	July 24	752	+ 85	6,098	—	129	20,184	+ 959
Arg. Transand.	July 24	111	—	160	—	120	630	+ 720
Bolivar	Mar. June	110	—	8,250	—	1,648	86,169	+ 25,698
Brazil	Mar. Apr.	3,362	—	3,090,000	—	239,572	12,681,000	+ 787,340
Paulista	Mar. Apr.	721	—	1,550,000	—	59,123	7,350,000	+ 339,682
Moayana	Mar. Apr.	1,131	+ 57	1,313,000	+ 125,225	4	6,570,000	+ 617,804
B.A. & Pacific	July 24	3,535	+ 29	79,000	—	2,000	264,000	+ 2,000
B.A. Gt. So.	July 25	3,792	+ 63	79,000	—	4	277,908	+ 15,033
B.A. Western	July 25	1,887	+ 75	42,000	—	4	147,000	+ 26,600
Cent. Argentine	July 24	3,307	+ 45	118,600	+ 12,600	4	423,600	+ 26,600
Cent. Uruguay	July 24	271	—	10,143	+ 2,090	4	36,693	+ 4,139
" (E. Ext.)	July 24	311	—	3,400	+ 824	4	11,956	+ 2,127
" (N. Ext.)	July 24	185	—	1,971	+ 290	4	6,565	+ 837
" (W. Ext.)	July 24	211	—	1,681	+ 408	4	4,890	+ 536
Colomb. Nat.	Mar. May	86	—	9,512	—	2,928	47,412	+ 1,155
Col. Ry. & Nav.	Mar. May	854	—	19,809	—	6,677	224,068	+ 52,213
Cord. Central	July 24	1,186	—	39,200	+ 1,560	4	127,550	+ 7,400
Cuban Central	July 24	354	+ 9	8,634	+ 1,694	4	27,408	+ 3,427
Dorada Ext.	Mar. June	71	—	8,400	—	1,400	44,500	+ 4,100
Egyptian Delta	June 30	819	—	3,979	—	1,526	34,645	+ 18,244
Entre Rios	July 24	730	—	8,800	—	100	29,900	+ 1,400
Gt. S. of Spain	June 26	104	—	62,890	—	5,535	1,451,056	+ 340,792
Gt. W. Brazil.	July 17	1,010	—	6,300	—	3,400	296,100	+ 98,000
La Guaira & Ca.	Mar. June	23	—	8,250	—	1,750	42,250	+ 17,250
Leopoldina	July 24	1,806	+ 54	29,810	+ 8,951	30	834,121	+ 115,707
Manila North	July 24	315	+ 10	3,608	—	1,017	17,911	+ 33,112
" South	July 24	266	+ 91	3,499	+ 147	30	114,809	+ 9,713
Mid. Uruguay	Mar. June	319	—	10,632	+ 580	12	113,751	+ 14,636
Nitrate (2 wks.)	July 15	366	—	18,820	—	10,758	148,334	+ 237,100
N.W. Uruguay	Mar. June	113	—	22,360	—	333	232,228	+ 68,325
Paraguay Cent.	July 24	255	—	378,000	+ 106,000	4	1,231,000	+ 285,000
Peruvian Corp.	Mar. June	1,059	—	759,374	—	244,044	8,359,705	+ 4,171,429
Puerto Cabello	Mar. May	24	—	3,737	—	513	19,856	+ 1,392
Salvador	July 24	100	—	22,750	+ 7,250	4	98,000	+ 23,000
San Paulo	July 24	153	—	33,823	+ 5,335	2	60,320	+ 9,831
Taital	Mar. June	184	—	10,500	—	14,220	132,886	+ 176,887
U. of Havana.	July 24	681	—	24,372	+ 5,443	4	82,337	+ 10,399
Urug. Northern	Mar. June	73	—	1,936	—	132	18,163	+ 7,862
W. of Havana	July 24	147	—	5,276	—	968	17,921	+ 2,935
Zafra & Hiva	Mar. June	112	—	7,061	—	6,058	43,248	+ 42,578

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Anglo-Argentine	July 22	369	+21	49,235	+ 3,889	29	1,484,478	+ 133,340
Amekland (4 wks.)	June 30	251	—	19,139	+ 116	52	267,248	+ 914
Brazil Tracton	Mar. May	—	—	6,670,110	+ 489,280	5	31,092,170	+ 836,882
Brisbane El. Trk.	Mar. June	30	—	29,880	+ 1,290	61	178,500	+ 9,525
Bristol	July 23	31	—	8,823	+ 373	29	270,723	+ 20,985
British Columbia	Mar. May	242	+ 51	612,568	+ 165,746	11	8,808,470	+ 1,320,434
Calcutta	July 24	351	—	67,430	—	3,086	30,193,503	+ 91,087
Cape Electric	Mar. June	42	—	16,405	+ 451	12	202,615	+ 2,224
Carth. & Herr.	Mar. June	9	—	2,069	+ 654	6	10,648	+ 3,148
Cork Electric	July 22	91	—	971	—	113	32,060	+ 21
Dublin United.	July 22	542	—	8,529	+ 65	29	175,986	+ 5,424
Havana Electric	July 11	—	—	54,650	+ 44	28	1,421,321	+ 81,821
Ile of Thanet.	July 24	19	—	677	—	853	14,477	+ 7,885
Kalgoolie	Mar. May	204	—	3,269	+ 244	51	13,472	+ 642
Leamington	July 22	284	—	2,827	+ 588	29	54,925	+ 1,119
London C.O.	July 14	141	—	46,405	+ 1,632	15	624,099	+ 43,675
Madras Electric	July 15	—	—	32,088	—	103	734,921	+ 2,937
Manila Electric	Mar. June	—	—	118,875	+ 15,625	6	726,002	+ 107,631
Provincial	July 24	21	—	2,457	—	24	97,926	+ 8,176
Bangon Electric	Mar. June	25	—	4,997	—	6	29,745	+ 2,589
U. of Montevideo	Mar. June	90	—	24,268	—	3,783	226,692	+ 30,554
Yorks. W. Rdng.	July 25	24	—	1,635	—	117	46,425	+ 2,699

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,747 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (g) Miles. (h) Compared with previous year. (i) Months. (j) Track miles. (k) Includes Detroit, Grand Haven and Milwaukee Railway. (l) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross	+ or -	Net.	+ or -
483 Cos. (000's omitted)	May to May	\$244,893	+	\$13,325	+
Alabama Gt. Southern	May	2,688,665	—	155,995	—
Ala. New Or. Tex. & Pac.	May	412,000	—	1,000	—
Ala. & Vicksburg	May	4,384,000	—	810,000	—
Atchafalaya	June	125,000	—	22,000	—
New Orleans & N. E.	June	1,523,000	—	375,000	—
Vicks. Shreve. & Pac.	June	297,000	—	35,000	—
Atchafalaya	June	3,564,000	—	568,000	—
Atchafalaya	June	120,000	+	4,000	+
Atchafalaya	June	1,417,000	—	424,000	—
Atchafalaya	June	9,602,000	+	722,000	+
Atlantic Coast Line	May	107,713,000	+	8,875,000	+
Baltimore & Ohio	May	2,597,000	—	458,000	—
Baltimore & Ohio	May	29,209,000	—	4,771,000	—
Baltimore & Ohio	May	8,663,000	—	702,000	—
Canadian Northern	June	91,815,000	—	7,349,000	—
Canadian Pacific	June	1,201,300	—	454,000	—
Canadian Pacific	June	17,225,000	—	6,475,000	—
Chesapeake & Ohio	June	7,512,000	—	2,542,000	—
Chesapeake & Ohio	June	98,865,000	—	30,949,000	—
Chicago & N. Western	May	3,523,000	+	459,000	+
Chicago & N. Western	May	35,827,000	+	1,895,000	+
Chicago & N. Western	May	6,398,000	—	290,000	—
Chic. Burl. & Quincy	May	76,332,000	—	3,603,000	—
Chic. Burl. & Quincy	May	6,957,000	+	306,000	+
Chicago Great Western	May	83,864,000	—	2,238,000	—
Chic. Mil. & St. Paul	May	1,088,000	—	10,000	—
Chic. Mil. & St. Paul	May	12,739,000	—	445,000	—
Chic. Rock I. & Pacific	May	7,244,000	+	133,000	+
Chic. Rock I. & Pacific	May	83,624,000	+	2,134,000	+
Chic. Rock I. & Pacific	May	6,337,000	+	362,000	+
Ch. St. P. Min. & Omaha	May	65,288,000	+	2,816,000	+
Clev. Cin. Chic. & St. L.	May	1,311,000	—	32,000	—
Clev. Cin. Chic. & St. L.	May	16,731,000	—	315,000	—
Colorado & Southern	May	2,954,000	+	203,000	+
Colorado & Southern	May	14,058,000	+	429,000	+
Cuba Railroad	May	1,000,000	+	75,000	+
Cuba Railroad	May	13,082,000	+	846,000	+
Delaware & Hudson	May	541,000	+	78,000	+
Delaware & Hudson	May	4,749,000	+	17,000	+
Denver & Rio Grande	May	1,879,000	+	24,000	+
Denver & Rio Grande	May	8,868,000	+	89,000	+

# A Call for Help in the Munition Centres

**T**HE National Council of the Y.M.C.A. appeal for *immediate* help in their great effort to increase the efficiency and output of the Munition Workers.

There are required at once something like 50 Y.M.C.A. BUILDINGS and 200 BED-ROOMS to meet the more urgent need in the larger of the Munition Centres.

It is found that an increasing number of the men engaged upon this important work are being drawn from lighter and less exacting trades.

In many cases their homes are in distant towns. It is not always easy to find *desirable* sleeping accommodation in districts already congested by a large influx of new workers. To meet this need the National

Council of the Y.M.C.A. are erecting Suites of Bedrooms, in which, at reasonable cost, the men can obtain the necessary rest close to the works. At least 200 of these bedrooms are needed at once.

This is, however, only a small part of the work undertaken.

In the centre of the little colony of Sleeping Huts a large Y.M.C.A. BUILDING is being erected (similar to those supplied to the troops). Here the men turn in for breakfast, dinner and supper, for light, healthy refreshments during the day, and for much-needed rest and quiet in the intervals between long spells of exhausting labour. One building will serve a war factory employing thousands of Munition Workers.

## Who will give another Building to-day?

If you cannot give a complete Building, will you give one of the BEDROOMS, or help to maintain the Camp for a month, a week, or a day? NO SUBSCRIPTION IS TOO SMALL to be of service in this truly national work. But give the Building or Bedroom if you can.

Donations should be addressed to Lord Kinnaird, Y.M.C.A., National Council Offices, 13, Russell Square, W.C.

**£300**

will erect a strong wooden Building serving thousands of Workers in one of the Munition Centres.

**£50**

will erect a Suite of Four Bedrooms to accommodate those who are working away from home.

**£12 10s.**

Will erect a Single Bedroom for one of the Munition Workers.



**POST THIS FORM TO-DAY.**

To Lord Kinnaird,  
Y.M.C.A. National Council Offices,  
13, Russell Square, W.C.

*I have pleasure in enclosing*

£.....to be devoted  
to the special work in the Munition Areas.



**BUILDINGS OF IRON,  
WOOD, FIBRO-CEMENT  
and ROUGH CAST.**

Churches, Schools, Bungalows, Stabling, Billiard Rooms, Motor Houses, Hangars, Sanatoria, Fencing, Additions to existing Buildings.

**Shipping Orders a speciality.**

**JOHN McMANUS,**  
237 HAMMERSMITH ROAD, LONDON.

J. McM. has carried out for H.M. Government the largest Iron Building contract ever executed, exceeding in value A QUARTER OF A MILLION STERLING.

# The Statist.

LONDON, SATURDAY, JULY 31, 1915.

## FINANCING THE WAR.

WE are glad to see that steps are to be taken to mobilise our gold reserves. There is in this country at the present time a very large amount of gold which is not available for banking purposes, but is circulating from hand to hand. Currency notes were created among other things for the purpose of withdrawing this gold from circulation and bringing it into the banks. The great influx of gold that took place in the first few months of the War, however, and the extremely easy condition of the Money market, made it undesirable to withdraw gold from circulation, as such action would have tended to accentuate the easy condition of the Money market and to stimulate gold exports. Now, however, the position is reversed. The foreign exchanges have moved against us, and the Bank rate has become effective. Consequently, it is now desirable to get gold in from circulation. How much is in circulation is difficult to calculate, but it is believed to be in the neighbourhood of £60,000,000, beyond which there is a large amount of gold in the vaults of the banks. If a large part of the gold in the country were to be sent into the Bank of England, it is believed that the amount of the gold in that institution could be increased to nearly £150,000,000, a sum which would enable the country to meet any drain on our gold resources for a long time to come. The desire of the Government to withdraw gold from circulation was expressed by the Prime Minister to the House of Commons in the following words, which we would specially bring to the notice of our banking readers:—

“In this War the duty has been cast upon us not only to maintain the freedom of the seas, not only to supply large contingents of well-equipped men for the battlefield and the trenches, but also of financing—a not less important duty—to a large extent the whole conduct of the War. We cannot do that unless we organise all our industries. We cannot do that if we continue to import, increasing our indebtedness to other countries, things which under normal conditions may be regarded as among the natural comforts or the simple luxuries of life; we cannot do that unless we maintain in our great manufacturing industries—there are men who are doing quite as much service to the country as the soldiers and makers of munitions—men who will keep up, and indeed increase, the supply of those goods which we alone in the world can produce, or which we produce better than other people, and by which in the long run we have to pay for the things we receive.

“I would like to add in that connection—and it is one point which, I think, is not perhaps quite sufficiently borne in mind—that it is highly important for us, normally a creditor country, but under the conditions in which the War has placed us, bound to resort to an unprecedented degree to neutral countries for the supply of many of the things which we need, to keep and to increase our supply of gold. We have already given directions, so far as the Government is concerned, that all these smaller payments which are made to those in our employ, or in the employ of our contractors, are, so far as possible, not to be made in gold, but in the paper currency, adequately secured, which it was one of the first duties of my right honourable friend, when the War broke out, to supply to the country. I would venture, if my words may carry their message beyond these walls to my fellow-countrymen outside, to say to them—to householders, to employers, indeed to everybody—that in a small but not unimportant way one of the best services they can render to the country at this moment is to see that all what I may call ‘till’ money—the smaller change of our social and industrial life—is paid not in gold, but in notes and in paper. In that way I am satisfied we shall be able to accumulate very rapidly, such a large reserve of gold as will enable us to face, without any doubt or hesitation of any sort or kind, whatever drafts may be made upon us in regard to payment for things we require outside.”

## NATIONAL POLICY.

PARLIAMENT is taking a short holiday, not, indeed, that the private members have been overworking recently, but because Ministers undoubtedly need a rest. We trust they will be able to relax their labours somewhat, though that, of course, will depend largely upon the course of the War. We earnestly trust that both the Government and Parliament will take advantage of the short vacation to think seriously over the grave problems that confront us, and to endeavour above all things to learn from experience. Recent events ought to have convinced all of us, firstly, that we rushed into the War without taking proper thought as to what we were doing; and, secondly, that even when the facts were impressing upon us that we had acted without foresight and without due consideration, we endeavoured to throw the blame not upon ourselves, but upon others. Of late, however, so much has happened to bring home to even the most obstinate of us that we have been rash and thoughtless that we hope all of us will take the lesson to heart. Perhaps the first thing we need to learn is that the ruling classes no longer rule; the days of the Percevals, the Eldons, and the Sidmouths are over, and a ruling caste is no longer able to work its will. We need only point to the recent coal strike in South Wales as evidence of that, for, loudly as the militarists and the ruling classes generally talked of coercion and compulsion, when the strike took place they were soon made cognisant of their own impotence. Let us, then, begin by recognising that we are living in a democratic country, in a democratic age; that the bulk of the constituencies consist of working men; and that it is with them that rests the ultimate decision of the national policy. If we get that once firmly into our minds we shall drop the very foolish and somewhat ignominious habit of bragging and boasting, and hectoring and bullying. Instead of that vicious way of going to work we shall lay our proposals before the people, and ask for their consent. The War has now lasted twelve months, and it has given the most conclusive evidence that the people are staunch to the core; that having got into the War they are resolved to fight it out to the bitter end; and that whatever may be necessary to secure success they are prepared to do. Our task, then, is very simple. We have a people who are ready to back us up in every wise policy.

We have, therefore, to throw aside assumptions of superiority, and to recognise that the House of Commons consists only of the representatives of the people, and that, furthermore, the Cabinet is only a committee of agents appointed and supported by the House of Commons. If we will recognise plain indisputable facts, we shall drop all the grand airs of high-and-mightiness, and we shall recognise that the only power we possess is that which we derive from the people.

The first thing essential to a wise policy is that it shall be so framed as to furnish means adequate to the ends aimed at. We began the War with the assumption that if we only called out enough of men we should certainly win. We very quickly found that we had neither the means of clothing nor of arming the men, and, finally, that we were so deficient in munitions that we were practically exposing our soldiers to slaughter through our own shameful negligence. We have corrected all that now. But have we really learned the lesson that it is so well calculated to teach, and are we prepared in future to so act that we shall always be in a position not merely to bring superior numbers to the decisive points, but to make sure that those superior numbers shall be provided with every kind of munition necessary to overwhelm the enemy? At the present time we have had to create a special department to provide ourselves with high explosives and other munitions. We see, at the same time, that Russia is obliged to fall back before the Germans and Austrians because she also is deficient in high explosives and munitions generally. Is it not clear that the first thing we ought to have done when the War broke out was not to try to astonish the world by showing what fine fellows we were, and how quickly we could call into existence armies of millions of men, but to consult seriously with our Allies, ascertain from them what they could produce and what they could not, and then calculate whether it would not be wiser on our part to put fewer men in the field, and to put larger numbers in the workshops and the factories? Is it too late to remedy our mistake? Is it clear that we have kept up the close, intimate and continuous communication with all our Allies which would have enabled us to recognise day by day what the immediate emergency as well as the future prospects demanded from us, and have we benefited by such continuous consultation as we ought to have done? To take a special example, have we made the most of our alliance with Russia? And have we so acted towards Russia as to greatly contract the duration of the War? We knew the relations that existed between Russia and Turkey, and we were equally well aware that Turkey for a considerable time had closed the Dardanelles. Did we act as prudence and foresight and good statesmanship would have dictated? Did we try to influence Turkey? Or were we too high and mighty to condescend to that? If we did try to influence Turkey, and found that she was unmanageable, did we suggest any course to Russia that would have opened the Dardanelles and shortened the War? Is it beyond the bounds of possibility to correct the mistakes made in the past, and even now to shorten the War? For example, are we such high and mighty people that we consider it beneath our dignity to negotiate, we will not say with the Turks, because they have made their choice, but with the Balkan States for instance? Are we so foolishly proud that while we see Germany using her great influence in the hope of bending to her will all and sundry, we fold our arms and say, "Let her go on. We are too great a people to stoop to such measures"? Give Sir Edward Grey all the credit that is due to him for the efforts made by him during the several years preceding the War to maintain the peace of Europe. But what is to be said of the present condition of things in South Eastern Europe and the practical shutting-up of Russia? We have undisputed command of the sea, and yet we can neither obtain wheat from Russia nor supply Russia with the munitions she so badly needs.

## THE UNITED STATES AND GERMANY.

THE relations between the United States and Germany continue to offer a remarkable spectacle to all interested observers. The United States wisely, we think, decided to maintain neutrality. But Germany immediately set herself to make neutrality impossible, if she could. She hoped, apparently, that the vast multitude of American citizens, either of German birth or of German parentage, would deter the United States Government from engaging in war with Germany. Therefore, the German Government, which is in truth only another word for Prussian militarists, made up its mind that it would pursue a course of action which would make it impossible for America to refuse to side with either party, hoping, of course, that the German element would compel a siding with Germany. Accordingly, Germany has proceeded to make war upon American citizens, unarmed and guiltless of offence against Germany; also upon American shipping and American trade. Of course, Germany is never in a difficulty to find reasons to justify anything she does. Whether her reasons are good, bad, or indifferent she apparently does not care. But she always has reasons of some kind or other, and up to the present the reasons assigned, though offensive to the ordinary American, have at all events maintained friendly relations between the two Governments. The American Government has written despatches to Germany which leave very little to be desired—which, in fact, have been warmly commended by the Press of nearly all parties in the United States, and even abroad. But while the German Foreign Office is, of course, careful to maintain decency in its correspondence, it does not reciprocate. And it has added to all its former misdeeds by again the other day sinking an American ship without any kind of reasonable excuse. How long this kind of discussion will go on remains to be seen. Naturally, it is highly offensive to American public men who wish to see America stand as high in the eyes of foreign countries as her might and her civilisation give her claim to stand. But for the time being these public men are helpless, and so it looks as if correspondence may go on indefinitely without bringing any kind of practical result.

We are not in the least surprised that there is much dissatisfaction in the United States. Yet we are bound to say, in all fairness, that we think it is better, upon the whole, that the United States should remain neutral. In the first place, it is difficult to see how anything in the power of the United States could be done to stop German outrages. The United States is even less prepared for war than we were twelve months ago; and, therefore, if she were to depart from neutrality she would have to look forward to very many months of preparation before she could actively participate in the fighting. By that time we hope the war will have been brought to an end. Therefore, if the United States were now to break off friendly relations with Germany and ultimately to drift into war she would not stop German outrages, and she could not inflict much punishment upon Germany for a considerable time. It is not easy to see, therefore, what advantage would be derived even if she declared war. On the other hand, it would cost much money. It would call out a great many men from productive industry. It would check reviving prosperity. And probably peace will be made before the United States would be in a position to deal seriously with her adversary. Over and above this it is desirable that there should be one great nation in the world with surplus resources to help the nations which are impoverishing themselves in this unprovoked and wicked war. Heretofore the poorer nations of the world were always able to borrow what they needed in London, Paris, and Berlin. Paris and Berlin are out of the question now; and even we ourselves, being pledged to accommodate our own self-governing Dominions and our Allies, have

little left for others. Consequently, it seems to us in the interests of all the world that the United States should, if she can with self-respect, remain neutral, and so continue to be in a position in which she can financially accommodate the poorer countries, and also can provide the belligerent countries with munitions of war as well, of course, as with food and the raw materials of manufactures. It seems to us that it would be injurious to the world if the United States were to depart from the policy she has pursued for a whole twelve months. Nay, more, we believe that the United States is performing a function which is highly conducive to the material prosperity of all the world.

### BRITISH BANKING.

In the work of financing the War it is essential not to lose sight of the important fact that a large part of the money raised for War purposes is spent in this country, and yields great profits not only to persons who supply munitions of war, but to others who supply ordinary goods to the classes that are benefiting so greatly by the War expenditures. All the evidence that we can gather indicates, indeed, that the power of individuals to accumulate savings has been greatly increased by the War expenditures, which have so largely increased individual incomes. It is true that the increased savings of individuals are merely an offset to the enormous expenditures of the State for unproductive purposes; nevertheless, they are of great importance, and are helping the country to meet expenditures for War which otherwise it would be impossible to meet. It is not our present purpose to indicate how much money individuals are saving at the present time, and investing in War Loans, placing on deposit with banks, &c. But we would point to the great expansion in banking deposits as evidence of the truth of the statement that the nation as a collection of individuals is saving a great deal of money more than usual. Normally the deposits of our banks increase much in proportion to the savings of the nation. The population of the country ordinarily grows at the rate of about 1 per cent. per annum; the income and wealth of the country at the rate of about 2 per cent. per annum; while the deposits of bankers, in consequence of the greater use made by the public of banking facilities and the increasing popularity of banking from year to year, increase by about 3 per cent. per annum. Since the War began, however, these figures have completely changed, and in the past twelve months of war the growth in the deposits of 29 banks has been no less than 21 per cent. It should be borne in mind that this increase in the deposits of bankers has been attended by investors' great subscriptions to War loans and capital issues. Nor can it be said that the increase in the deposits of our joint-stock banks is merely a credit operation, for bankers have kept the greater part of the new deposits in cash in hand or at the Bank of

England, and almost the whole of the balance has been placed in investments. We have analysed the accounts of the 29 banks which published balance-sheets at the end of June, and we find that their deposits in twelve months have increased nearly £178,000,000, from £811,000,000 to £1,022,000,000. Out of the additional deposits they have retained nearly £96,000,000 as cash in hand or at the Bank of England, while their investments have shown the substantial increase of about £59,000,000, and they have increased their money at call, bills discounted, and advances by nearly £26,000,000. Money at call and at short notice has shown a very small increase, while owing to purchases of Treasury bills their bills discounted have shown marked expansion, while their advances to private customers have been practically stationary. The advantage to the country of this state of things cannot be overestimated. Beyond providing the Government in one way or another, directly or through the Bank of England, with the greater part of their additional deposits of nearly £178,000,000, the bankers have liquidated their holdings of commercial and bank bills to a very large extent, mainly because ordinary transactions have been replaced by Government transactions settled by cash payments. If it be remembered that the joint-stock banks have purchased the greater part of the £250,000,000 of Treasury bills that were in issue at the end of June, as well as nearly £60,000,000 of Government debt, and have deposited with the Bank of England a large sum of money, much of which the Bank had used to finance Government transactions of one kind and another, it becomes evident that bankers have provided the Government during the past year with a very large sum.

In the new year the increase in the resources of bankers may not be as great as it was in the past year. For one thing it is unlikely there will be any very substantial reduction in the quantity of commercial and bank bills in circulation; and, in the next place, instead of receiving money from abroad the country may have to pay money away to other lands. Still, provided that the country is able to prevent any large exodus of gold to pay for its great imports, the deposits of bankers should in the coming year show great increase, and this increase should materially assist the country in meeting its War expenditures.

In making these calculations we would point out that the bulk of the money needed to meet the War expenditure of about £750,000,000 in the past twelve months has been provided out of the new and private savings of individuals, and that only a comparatively small sum has been supplied by bankers out of the funds previously accumulated by the nation. For the purpose of showing how greatly the deposits of our bankers have increased in the past six and twelve months, and the manner in which the additional deposits have been employed, we give herewith a comparative statement of the liabilities and assets of 29 banks which publish their balance sheets up to the end of June:—

#### Aggregate Liabilities of 29 Banks of the United Kingdom.

Date.	Capital Paid up and Reserve Funds.—				Notes in Circulation.—		Acceptances.—		Deposit and Current Accounts.—		Profit and Balance.—		Total Liabilities.—
	Capital.	Reserves.	Total.	% of Total.	Amount.	% of Total.	Amount.	% of Total.	Amount.	% of Total.	Amount.	% of Total.	
1915, June 30 ...	49,356,020	32,525,232	81,881,252	7.1	9,401,208	.8	33,056,995	2.9	1,021,920,123	88.8	4,226,612	.4	1,166,485,190
1914, Dec. 31 ...	49,420,824	33,251,431	82,672,255	7.8	8,133,277	.7	17,130,046	3.5	920,358,122	87.4	4,830,847	.5	1,055,104,547
1914, June 30 ...	49,420,823	33,208,931	82,629,754	8.5	5,229,494	.5	37,045,022	3.8	814,297,212	86.8	4,067,382	.4	972,069,464
+ or — last 6 mos.	-64,804	-726,199	-791,003	-1.7	+1,267,931	—	-4,073,051	-6	+101,682,601	+1.4	-605,235	-.1	+97,880,643
" " 12 "	-64,803	-683,699	-748,502	-1.4	+4,171,714	+3	-3,983,627	-.9	+177,622,911	+2.0	+218,230	—	+177,275,726

#### Aggregate Assets of 29 Banks of the United Kingdom.

Date.	Cash in Hand and Money at Call and at Short Notice.—				Bills Discounted and Advances.—				Liability of Customers for Acceptances.— Bank — % of Premises.			
	Cash in Hand and at Bank of England.	Money at Call and at Short Notice.	Total.	% of Total.	Total.	% of Total.	Discounted.	Advances.	Total.	% of Total.	Amount.	% of Total.
1915, June 30 ...	225,527,411	108,857,694	334,385,105	29.0	207,165,321	18.0	109,493,378	445,266,714	551,959,692	48.3	32,500,000	2.9
1914, Dec. 31 ...	192,920,665	85,779,728	278,699,783	26.6	169,591,167	16.1	89,210,082	350,577,782	547,787,864	51.9	37,100,000	3.5
1914, June 30 ...	130,064,825	106,152,554	236,217,359	24.3	148,324,240	15.2	99,665,250	410,707,456	510,172,686	54.6	37,045,022	3.8
+ or — last 6 mos.	+31,597,356	+23,117,966	+54,715,322	+2.4	+37,574,154	+1.9	+20,482,296	-11,311,868	+9,171,428	-3.6	-4,073,051	-.1
" " 12 "	+95,402,886	+2,705,160	+98,167,746	+4.7	+58,841,081	+2.8	+10,000,128	+4,778,228	+14,778,356	+3.3	-1,000,000	-.1

(A) Includes money at call and at short notice of those banks which do not separate cash in hand, &c. from short loans. (B) Money at call and at short notice of those banks which separate their cash from their short loans. (C) The bills discounted are of those banks which separate this item from their advances in their balance sheets. (D) Includes bills discounted where these are not separately stated.

To supplement this comprehensive statement we set out below a statement of the deposits and cash of 11 London clearing banks for each month since the beginning of last year. This statement shows the rapidity with which deposits are expanding from month to month, as well as the very high ratio of cash to deposits:—

*Comparison of Deposits of and Cash Held by 11 London Clearing Banks since January 1914.*

	Deposits and Current Accounts—		Cash in Hand and at Bank of England—		Ratio of Cash to Deposits—	
	1915	1914	1915	1914	1915	1914
Jan. ...	666,087,448	569,106,307	140,317,648	91,166,865	21.1	16.0
Feb. ...	670,148,815	661,753,979	136,816,805	86,004,216	20.4	15.3
Mar. ...	682,944,762	558,573,567	134,997,983	82,828,385	19.8	14.8
April ...	695,400,726	564,517,709	142,359,023	85,918,497	20.5	15.2
May ...	701,236,057	571,410,226	144,237,867	85,964,556	20.6	15.4
June ...	738,265,740	585,640,809	170,137,461	91,176,245	23.0	15.6
July ...	—	603,577,214	—	91,553,871	—	15.2
Aug. ...	—	620,641,266	—	124,825,444	—	20.1
Sept. ...	—	629,574,680	—	138,795,446	—	22.0
Oct. ...	—	641,275,330	—	142,180,056	—	22.2
Nov. ...	—	659,922,146	—	157,949,599	—	23.9
Dec. ...	—	661,211,946	—	146,547,111	—	22.2

*Deposits of and Cash Held by 13 London Clearing Banks end of June 1915 and 1914.*

Name of Bank	Deposits and Current Accounts—		Cash in Hand and at Bank of England—		Ratio of Cash to Deposits—	
	June 1915	June 1914	June 1915	June 1914	June 1915	June 1914
Cap. & Counties...	47,885,909	40,885,542	9,336,489	6,347,859	19.5	15.5
Lloyds ...	134,524,366	107,321,851	32,673,211	18,191,315	24.3	17.0
L. City & Mid. ...	142,388,314	95,027,439	36,356,672	15,128,191	25.5	15.9
L. County & West. ...	113,396,556	90,865,122	31,242,440	12,499,529	27.6	13.8
Lond. & S. West. ...	25,038,814	22,529,266	5,127,174	3,403,016	20.5	15.1
Lond. J. Stock ...	45,173,086	37,359,504	10,346,998	5,544,875	22.9	15.6
National ...	15,259,69	14,470,363	2,952,457	2,101,023	19.3	14.5
Nat. Provincial ...	85,184,187	71,226,365	13,226,909	10,741,441	15.5	15.1
Parr's ...	58,441,003	47,999,011	13,932,751	7,910,625	23.8	16.5
Union of Lond. ...	50,201,179	41,837,653	11,008,456	6,486,371	21.9	15.5
Wms. Deacon's ...	20,772,457	16,118,693	3,933,904	2,523,002	18.5	15.7
<b>Total 11 Banks</b>	<b>738,265,740</b>	<b>585,640,809</b>	<b>170,137,461</b>	<b>91,176,247</b>	<b>23.0</b>	<b>15.6</b>
Coats & Co. ...	13,072,000	—	2,395,000	—	18.3	—
Lond. & Prov. ...	24,630,539	—	4,381,936	—	17.8	—
<b>Total 13 Banks</b>	<b>775,968,279</b>	<b>—</b>	<b>176,914,397</b>	<b>—</b>	<b>22.8</b>	<b>—</b>

In spite of the relatively low rates of interest in the past year, bankers' profits have been large; but in view of the decline in the prices of securities they have wisely devoted a much larger part of their profits than hitherto to hidden reserves, and several of the dividends have been reduced. Having regard to the desirability of inducing and causing the country to become much more economical than hitherto, as well as the advisability of making our banks unusually strong in the matter of reserves, we are disposed to think that the action of those banks that have reduced their dividends somewhat might with advantage be followed by other banks who are seeking to maintain their distributions. It is evident that in the current half-year the profits of the banks will be quite abnormal having regard to the probability that a 5-per-cent. Bank rate will remain effective throughout the period. If bankers decide to devote not only the whole of their additional profits but a larger part of their normal profits to reserve, they would materially assist the country in securing that degree of private economy which is so essential. We set out below a comparison of the aggregate profits of the 12 banks which have published their statements of profit and loss for the past six months, which shows clearly the conservative manner in which the profits have been distributed:—

*Profits of 12 Banks for Years to June 1914 and 1915.*

	—Year to June 30—		Inc. or Dec.
	1915	1914	
Gross profits ...	6,578,000	6,209,000	+369,000
Expenses ...	3,125,000	2,975,000	+150,000
<b>Net profits</b> ...	<b>3,453,000</b>	<b>3,234,000</b>	<b>+219,000</b>
Dividends ...	2,181,000	2,323,000	-142,000
Balance ...	1,272,000	911,000	+361,000
Special appropriations ...	1,402,000	761,000	+641,000
Balance ...	Dr. 130,000	150,000	-280,000
Brought forward ...	666,000	504,000	+162,000
Carried forward ...	536,000	634,000	-118,000

When one takes into account the large profits that bankers have in recent years devoted to writing down their securities, and the further very large sums they are likely to apply to this purpose while the War lasts and their profits are so great, it is evident that bank shares at current prices are attractive. It is obvious that as soon as the War is over a great recovery will occur in the prices of all securities, and having regard to the large amount of securities which bankers will hold at the close of the War, the advantage they will gain from the recovery in prices will be very great. Indeed, we anticipate that when the War is over and prices of securities advance our bankers will be in a position to pay higher dividends than they have yet been able to distribute. These considerations should, of course, be borne in mind at a time when sound policy calls for conservative dividends and the appropriation of large profits to reserves. The dividends distributed by the principal London banks in the past year, and the yields afforded by them at current prices, are shown in the statement appended:—

Name of Bank	Value of Shares Nomi. Paid up		Price end of July Per Share Per Cent.		Divs. 1914-15			Yield % per An.
	£	£	£	£	2nd Hf. 1914	1st Hf. 1915	Yr. 1914-15	
Bank of England ..	100	100	230	230	10	10	10	4 8 11
Barclay & Co. "A" a	4	4	8½	212½	10	10	10	4 16 5
" "B" a	16	4	11	252½	17½	17½	17½	7 3 6
Capital & Counties	50	10	21½xd	215	14	14	14	6 10 3
Lloyds ...	50	8	23½xd	297	18½	18½	18½	6 2 0
Lond. & Provincial	10	5	16½xd	330	19	19	19	5 15 2
L. & Sth.-Western	10	4	12½xd	306½	16	17	16½	5 7 6
L. City & Midland	12	2½	7½xd	300	18	18	18	6 0 0
L. County & West.	20	5	15½xd	310	21½	18	19½	6 6 8
Lond. Joint Stock	100	15	20½xd	135	11	10	10½	7 15 9
Martin's ...	20	10	14½	142½	8	6	6	4 6 0
National ...	50	10	18	180	10	10	10	5 14 3
Natl. Provincial	75	10½	25xd	238	14	16	15	6 6 1
Parr's ...	60	12	28½xd	239½	14	18	15	6 5 3
Union of London	100	15½	23½	151½	10	10	10	6 16 6
Williams Deacon's	50	5	17½xd	218½	14	14	14	6 8 0
National Discount	25	5	5½xd	115	10	10	10	8 14 0
Union Discount ...	10	5	9½xd	190	13	13	13	6 16 10

(\*) Estimated. (a) "A" shares rank *pari passu* for div. up to 10 %, the "B" shares being entitled to any surplus profit.

## CANADIAN BORROWING IN AMERICA.

THE progress of the United States as a creditor country is rapid. It is true that the individual amounts of foreign securities taken by New York are as yet relatively small in comparison with the great sums raised from time to time in London or in Paris. Nevertheless, when we consider that prior to the War the United States needed not only all its own capital for its development, but imported a good deal of capital from Europe, one realises the great change that the war has effected. The latest example in the financial position of New York is shown by the purchase by Messrs. J. P. Morgan and Company and Messrs. Brown Brothers of \$40,000,000 of Canadian Government notes. These notes consist of \$25,000,000 of One-year 5-per-cent. Notes at par and \$15,000,000 of Two-year 5-per-cent. Notes at 99½, with the option to holders to convert into 5% Treasury Debentures. The proceeds of the Loan will be used for capital expenditures in the Dominion during the current year upon undertakings now under construction. Mr. Whyte, the Finance Minister of Canada, in announcing the Loan, stated that "this New York issue will render it unnecessary to issue that amount on the London market. By borrowing in New York rather than in London the exchange situation will be benefited, and the loan of such a large amount effected in New York will tend to improve exchange conditions between Canada and the United States." Since the War began the United States have lent to Canada altogether \$138,000,000—a very substantial sum, and of great advantage to a young country needing capital for development.

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## Financial Notes.

THE announcement that Bulgaria and Turkey have come to a friendly arrangement which hands over to Bulgaria the Turkish portion of the Dedeagatch Railway has caused no little surprise. It is stated at the same time that no political understanding of any kind has been come to. Not very much credence is attached to the latter statement. It is pointed out that it is difficult to believe that Turkey would hand over one of her railways to Bulgaria for nothing. And it is furthermore argued that it is difficult to believe that Bulgaria would think it worth her while to bargain about such a matter if she had any intention of breaking with Turkey. Whatever the truth of the matter may be, naturally the announcement that the bargain has been closed has been exciting a good deal of interest and tends to the conviction that Bulgaria means to continue her present policy; to remain neutral in the interest of the two Central European Empires, and to get what benefit she can from such conduct.

We have no means of judging what the real condition of things is. But it is obvious that the real interest of the world is not concerned so much with the relations between Bulgaria and Turkey as with the probable effect the new agreement will have upon Greece and Roumania. As yet the entry of Italy into the War has not compelled either Austria or Germany, or both combined, to withdraw any considerable body of men from either the Eastern or the Western theatres of operations. Apparently our adversaries are able to hold their own in France and Belgium, while they have compelled the Russians to withdraw to Warsaw, and are actually threatening that city from more than one side. Apparently, then, the entry of Italy into the War has not tended to weaken the two Central European Empires either in Poland or in France and Flanders. Consequently, it has not had that effect upon the Balkan States which so many expected from it.

Meanwhile, the retreat of the Russians and the claim made by the Germans and Austrians of repeated and important victories are not calculated to encourage either Greece or Roumania to enter upon a policy of adventure. Greece would long ago have drawn the sword were it not for King Constantine. He practically dismissed M. Venezelos, and has supported ever since a Government which means to keep out of hostilities. Nay, more, the Government has, whether constitutionally or not, postponed the meeting of the Chambers, and for the time being, therefore, has reduced M. Venezelos to impotence. What will be the result when the Chamber does meet it will be time enough to discuss when the Chamber is in session. For the present it seems certain that nothing will be done; and if Bulgaria is supposed to have sold herself to Turkey and to Germany while Greece is rendered helpless by the action of her king, it seems not at all likely that Roumania will enter upon a struggle which, as things stand at present, certainly is not very inviting.

The question is not seldom asked, What has the Russian Government been doing to allow such a state of things to continue in the Balkan States? Is the Russian Government actually unwilling that the Balkan States should draw the sword? In other words, does Russia not only desire to win the whole of Poland for herself, but does she also intend to keep the Balkan States in their present state of discord so that they shall always be under her dictation? The question is perhaps not unnatural. But is it not assuming much more than the facts before us warrant anybody to take for granted? If Russia had been prepared for war, we of this Journal have more than once ventured the opinion that she ought to have postponed her Polish venture until she had opened the Dardanelles. To do that the assistance of the Balkan States united would be of immense help, and she would have been able to send a great Army and Fleet direct against Constantinople. But notoriously Russia was not prepared. Indeed, she made no secret herself of the fact for months before hostilities occurred that she had planned an experimental mobilisation. Therefore, so far as the facts before us warrant us in forming any opinion it is to the effect that Russia was not sufficiently prepared to besiege Constantinople, and less, therefore, to put pressure upon the Balkan States.

Naturally, the Balkan States were well aware of all this. Greece and Roumania desired to throw in their lot with Serbia, and to take advantage of the opportunity offered to realise their aspirations. But the Bulgarian Sovereign, having failed in the second Balkan war, seems to have been more anxious to retain the goodwill of Germany and Austria than to realise the ambitions of his people. And the statesmen of Sofia fell in with him. They could not forget their own humiliation in the second Balkan war, and they were so untrue to their country that they nourished their own bitterness at her cost. Therefore, what seems to be the real condition of things in the Balkans at present is that the great majority of Greeks would like to assist in the capture of Constantinople, in the hope and belief that thereby they would gain a large extension of territory in Asia Minor; that the Roumanians are equally anxious to free Transylvania; but that both are held in check, firstly, by the fear that Bulgaria would attack them if they moved; and, secondly, by their uncertainty as to whether Russia and Italy, even though working together, are strong enough to defeat the two Central European Empires.

We ourselves are surprised that Balkan public men labour under such doubts. We have no hesitation in repeating what we have said so often—that Russia alone is stronger than Germany and Austria-Hungary combined; that she is always slow in mobilising; and that she is exceptionally slow just now, partly because hostilities were sprung upon her while she was reconstructing her navy and reconstituting her army, and partly, also, because the Turks have been able to close the Dardanelles against her, while the two Central European Empires practically cut her off from easy and direct communication with the rest of the Continent.

## LONDON CITY & MIDLAND BANK

LIMITED.

**30th JUNE, 1915.**

<b>SUBSCRIBED CAPITAL</b>	-	<b>£22,947,804</b>
<b>PAID-UP</b>	- - -	<b>4,780,792</b>
<b>RESERVE FUND</b>	- - -	<b>4,000,000</b>
<b>CASH</b>	- - -	<b>36,356,672</b>
<b>DEPOSITS</b>	- - -	<b>142,388,314</b>

But all that, though very annoying, very costly, and very likely to protract the conflict, is, after all, a temporary disadvantage. If the Russian Government has determination enough to fight to the bitter end it must win, and consequently the Balkan States are throwing away the best opportunity ever likely to be offered them for realising their aspirations.

### AUSTRALIA'S WAR LOAN.

THE Commonwealth Bank of Australia in London has received by cablegram particulars of the internal Commonwealth War Loan, the Bill for which was recently passed by both Houses of Parliament in Melbourne. The total amount to be floated is, as previously announced, £20,000,000, the proceeds of which will be used solely for war purposes. Only £5,000,000 is asked for in this issue. The rate of interest is  $4\frac{1}{2}$  per cent., and the term ten years, the price of issue to be par. The loan will be floated through the Commonwealth Bank of Australia, but applications will also be received at the head offices and branches of other banks, and at the Post Offices throughout Australia. The lists will be closed on August 31, and the payments run: 10 per cent. on application, 15 per cent. September 15, 20 per cent. October 15, 25 per cent. November 15, and 30 per cent. on November 30. A full six months' interest is payable on December 15, 1915. An interesting feature of the loan is that the bonds and stock will be accepted at face value in payment of Commonwealth probate and succession duties, and will be free of stamp duties and income taxes, not only of the Commonwealth, but also of the various Australian States. The issue has been made a trustee stock in Australia.

### Correspondence.

#### THE BANKERS' DEPUTATION.

TO THE EDITOR OF "THE STATIST."

SIR,—I am much disappointed to find that THE STATIST is throwing the weight of its great influence into the scale in favour of the suggestions made to the Prime Minister last week by the bankers' deputation that waited upon him, for I regard those suggestions as dangerous in the extreme—so dangerous, indeed, that they would probably lead to revolution if carried into effect, were it not that in all probability the legislation favouring them would be brought to nought by a great strike. Bankers are not students either of history or of economics. Therefore they may be excused for their inability to see the drift of what they are asking the Government to do. As for their two spokesmen, one of them is a country gentleman who was pitchforked into the Chancellorship of the Exchequer and made a mess of the national finances during the South African War. The other is a member of the straitest, narrowest-minded, and most bigoted sect of the old economists. But surely the Prime Minister, and you, Sir, ought to remember the condition into which the United Kingdom was plunged by the weight of taxation, and its indiscriminate imposition during the Napoleonic wars, until distress was relieved by the great railway building boom that began in the early forties of last century. The country was torn asunder by distress, the Peterloo massacre, rick burning, and the Chartist agitation. Do you or the Prime Minister wish to bring back that state of things now? In effect, the bankers ask that both indirect and direct taxation should be imposed upon all classes of the people without distinction. In other words, they invite us to relieve the rich by burdening the poor. Is it either your intention or that of the Prime Minister to agree with so mad a proposal? To my very great surprise, I notice that Mr. Asquith states that he is in favour of taxing imports. Does that mean that he

is preparing once more to turn his coat and throw over Free Trade? If it does not, then it would be desirable that he should make known that he is not going to propose such duties upon imports as would tell heavily against the very poor. I am aware, of course, that some of the Labour Members in the House of Commons have declared themselves in favour of direct taxation on workmen. But I doubt exceedingly whether those gentlemen have any authority from those they represent to make such a statement; and I doubt still more strongly whether they would be supported by their constituents if they voted for such a proposal. Of course, direct taxation, which practically means an income tax or something like it, might be quite admissible if the nethermost limit was sufficiently high. The existing income tax is, as a matter of fact, imposed upon the higher-paid workpeople. Therefore, if it is merely intended to lower still further the existing nethermost limit I see no objection. But the nethermost limit ought to be sufficiently high to exclude what are generally meant by the very poor. Women who have to support fatherless children, unskilled workers almost without exception, both male and female, street vendors, casual labourers, and agricultural labourers, except in a few favoured instances, ought all to be exempted. It is doubtful whether the average rate of wages of these several classes, taking the whole United Kingdom together, and allowing for the casualness of so much labour, wet days in the rural districts, sickness, strikes, holidays, and so on, amounts to much more than twelve shillings per week. Does any sane man propose to reduce such a wage as that by imposing an income tax, however slender it might be? Personally, I go farther, and say that nobody earning less than 20 shillings a week ought to be subjected to an income tax. There is much talk about waste and extravagance; and, unfortunately, the talk is, generally speaking, only too well justified. What possibility is there for a family whose earnings amount to 20 shillings a week to engage in luxuries? Such families may be, and unfortunately usually are, wasteful. But that is the fault of the nation, not of the individual. Owing partly to an abominable land system which has driven so many of the working poor from the agricultural districts, the large majority of the population is cooped up in the large towns in slums and narrow streets, ill-paved, ill-sewered, and generally unhealthy. Moreover, no care is taken in what we are pleased to call our system of popular education to teach the women how to manage their households. Yet we turn round upon them and abuse them for their waste, and propose to tax them even on the little that remains after their wastefulness.

While I am not prepared to condemn an income tax levied upon the incomes, say, from £1 a week up to £2, I think it would be most unwise, for we should never lose sight of the fact that the wealth of the country consists of the strength, vigour, healthfulness, skill, and industry of the people; and, consequently, that there is no more certain way of diminishing the prosperity of the country than by taxing unduly the poor—the really productive classes. For, when everything is said, the so-called captains of industry and all their managers and sub-managers are little better than assistants. The real work is done by what we call the workmen, pure and simple, and if we lower those we lower the productive energy of the whole nation. If, then, it be considered necessary that a large proportion of the expenditure of the War should be defrayed by immediate taxation—and I do not demur to the proposition—then the only effectual way of doing that is to clap an exceedingly heavy tax upon the rich; the well-to-do being taxed at a much lower rate than the rich, and especially than the idle rich. Remember that every 1 per cent. that may be imposed upon a workman earning, say, £1 per week, would give for a million of such workmen only £10,000. Would anybody seriously propose to impose a tax of more than 2½d. in the £ upon such a workman? And

if he would not is it worth while to put up the backs of the whole working population for the sake of getting £10,000 a year from a million of them? Is it not almost self-evident that the mere cost of collection would swallow up the whole proceeds? Even between £100 and £200 a year the taxation would be little profitable. The class would include the higher ranks of the working classes, except the very skilled, and it would include a very considerable number of teachers, foremen, clerks, and even clergymen. Are these a category of persons that can very well bear anything like a tax that would be worth collecting? If you go beyond £200 a year you come to the really skilled workpeople, clerks, teachers, male and female, except those in the great schools and colleges, a large proportion of the clergy of every denomination, not even excepting some beneficed clergymen. Are these people well able to bear a taxation that will be worth collecting? Is it not desirable, on the contrary, to help rather than to depress them, for whether you choose to call it snobbery or not, all those people must dress in a certain style, and live in a certain style, or they will find it impossible to get employment. I submit, then, that the real revenue to cover any material portion of the cost of the War must be obtained from the people whose incomes exceed £500 a year. With regard to certain portions of those I think it would be difficult to fix any limit which could reasonably be said to be over-much. A firm of millers some time ago showed that, in consequence of the extraordinary rise in the price of wheat due to the War, they had made hundreds of thousands of pounds profit in the second half of the preceding year. Will anybody dissent from the statement that that firm ought to be made to disgorge the whole of those unearned profits? I fix upon the particular firm simply because the figures were published so widely in the Press. But everybody who has kept his eyes and his ears open since the War began knows that the profits made were owing to the War alone, not by risking of capital, nor by skill, nor by intelligence, but simply owing to the factitious rise in prices having been enormous. Is it not perfectly just that all those unearned profits should be taken by the State? I am imputing no evil motive of any kind. Probably every man in business would take advantage of such a rise. But the fact remains still, that the profits were unearned, and morally, therefore, do not belong to those who have pocketed them. Again, the Prime Minister the other day remarked that the increase of luxuries during the present generation has been phenomenal, and ought to be checked. If he really meant what he said he has now a most excellent opportunity for carrying out his moral principles. It is only the rich, or speculators, who can indulge to any material extent in the phenomenal luxuries of which he spoke. Is it not right that people who waste the resources of the country should be taxed heavily and thereby the waste brought to an end? An idle man who lives for his own sensual pleasures and contributes personally in nowise to the welfare of the State ought surely to be made to contribute in an emergency like the present, not merely at the same rate as those who are helping to build up the wealth of the State, but at a greatly increased rate? If, then, our rulers really mean what they say, and can induce Parliament to carry out their policy, they have a splendid opportunity for checking both waste and luxury, and at the same time of finding a considerable revenue for covering expenses of the War. But, clearly, the opportunity points to the very rich, to those who have profited unduly by the War, and, above everybody, to the idle rich.—I am, Sir,

AN ECONOMIST OF THE NEW SCHOOL.

[Our correspondent has, we believe, misunderstood the statement of the Prime Minister; certainly he has misconstrued the policy we ourselves desire to support. The position is this: that the War expenditures of the country are so great that it is not only neces-

sary to obtain from the wealthy and well-to-do all the money they can contribute, either by loan or by taxation, after they have exercised the most rigorous economy, but also substantial contributions from the wage-earning classes whose incomes are above the poverty line. The great majority of the working classes enjoy incomes well over the poverty line, and can provide, either by loan or taxation, the balance of the sum needed to cover the Budget deficit without their efficiency becoming impaired in the least degree. We did not understand the Prime Minister to imply that the Government intended to tax by direct or by indirect taxation poor persons with incomes no more than sufficient to maintain their efficiency beyond taxing their luxury expenditures. Nor did we imagine for one moment that the Prime Minister contemplated any change whatever in the settled fiscal policy of the country—taxation for revenue, not for protection. What we understood the Prime Minister to indicate was the intention of the Government to introduce measures by means of which the great Budget deficit would be covered and the adverse trade balance would be rectified without any departure from the settled fiscal policy of the country.—ED. "STATIST."]

## ARICA AND TACNA RAILWAY.

THE directors of the Arica and Tacna Railway Company recently declared a dividend of 4s. per share, free of income tax, in respect of the year 1914, being at the rate of 1 per cent. per annum. This compares with 1½ per cent. paid twelve months ago and for each of the two preceding years. The reduced dividend means the distribution of £1,125 less revenue, but whether or not the profits have dropped only to this extent remains to be seen. The traffic earnings of the line for the twelvemonth showed a relatively heavy decrease, and presumably the profits also have dropped off considerably. It should be borne in mind, however, that the earning power of the line has always been in excess of the dividend distributed. In 1913, for instance, the balance available for the Ordinary was £7,785, a sum equal to a dividend of 1½ per cent. on the share capital. The distribution of 1½ per cent. required £5,625, and the balance carried forward was raised by £2,159 to the relatively large total of £8,637. A decline of £3,284 in the profits of the past year would, therefore, still leave the Company with a balance equal to 1 per cent. on the shares. Chili has felt the effects of the War probably more severely than any other country outside the belligerent nations, and until peace is again restored there seems to be little likelihood of any pronounced recovery of prosperity. No transactions have taken place in the Company's shares since July of last year, and the price then was about 4.

"The Political Economy of War." By F. W. Hirst. (J. M. Dent and Sons, Limited, London and Toronto.) 5s. net.

"The Statesman's Year-Book, 1915." With the greater part of Europe at war there have been unusual difficulties in connection with the preparation of the edition of this well-known Year-book for 1915. Every effort has, however, been made to overcome these difficulties, and the latest available information has been obtained from the belligerent nations. China has to a large extent been again rewritten, while Greece, Spain and the Panama Canal zone have had the advantage of special revision. The other countries included in the Year-book have, as usual, been thoroughly overhauled. The usefulness of the book has been increased by the inclusion of several maps in colour bearing on the War. The Year-book is edited by J. Scott Keltie, LL.D., assisted by M. Epstein, M.A., Ph.D., and is published by Macmillan and Co., Limited, at its usual price of 10s. 6d.



## National Shawmut Bank

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## American Topics.

### THE UNITED STATES.

THE signs of trade expansion in the United States are now unmistakable, and, barring accidents, the country is likely to enjoy renewed prosperity. In the past year fundamental conditions made for trade activity; crops were good, prices were profitable, and there was a great foreign demand, not merely for food-stuffs, but for many kinds of manufactured goods. The only really serious drawbacks were, first, the lack of confidence from which the country suffered, and, second, the low price of cotton, which greatly reduced the income of everyone in the South. As the year has passed the beneficial effect of the profitable prices of agricultural produce, and the great demand for goods for export to the belligerent countries has increased, and now, at the beginning of the new crop season, all the conditions are favourable to good trade. First and foremost, confidence has been restored, and people are investing their money with much greater freedom than at any time since the war. Second, the new crops are abundant, and prices are profitable, and, third, the orders for manufactured goods for export are quite unprecedented. Hence it is evident that, barring accidents, trade in the United States in the coming year will be very active. In taking this view it is essential, however, to make one or two reservations. The United States have great crops and great manufacturing capacity, and as far as production is concerned the trade of the country should be exceedingly active. For trade to be really active, however, one thing is essential. A great production must be attended by great consumption. It is not much good producing great quantities of things if no one has the means of buying them. Long experience taught this elementary principle to the British people with great force, with the result that any one who needed to buy British goods rarely failed to purchase them for lack of means. If other countries had no goods to sell in exchange for British goods, the British people were invariably willing to take payment in securities for the goods they sold. As yet the American people have not had much experience of what is needed to build up a great export trade, and one cannot be quite sure that they are yet aware that if they are to sell all the goods they wish to, and are able to, sell in a time like this they must be willing to take payment for a large part of them in securities. American bankers and investors are making substantial progress in the science of international finance, having since the War

began invested abroad in foreign securities of various kinds a sum of about \$300,000,000. This is over and above the repurchase of about \$300,000,000 of their own securities from foreign countries. As far as they have gone they have been disposed to lend their money mainly for short periods, as this method appeals to their bankers, aware of the advantages of taking payment in securities for goods sold. Having started the operation of lending money to the world for short periods it is probable that the American people may now realise their strength, and will invest money abroad on a still greater scale, and thus build up their foreign trade to a much bigger figure than it has yet reached. Indeed, if the American people were to lend abroad all the money they can profitably and safely employ we should be unable to place any limit either on the export or the home trade of the United States in the next twelve months. On the other hand, if the American people remain relatively local and are indisposed to create a great international market in the United States for both bankers' and investors' money, then it is obvious that other nations will not be able to purchase any large quantity of American goods and American trade will remain more or less depressed. The only doubt in our mind as to the extent of American trade and prosperity in the coming year is just in this question, "Will the American people rise to their opportunity and lend freely to the world?" As we do not know how much money America will be prepared to lend to the world, we do not know how many goods other countries will be able to buy from the United States.

In the six months to the end of June the exports of the United States have shown the great increase of over \$600,000,000, while the imports have been substantially reduced, and the net excess of exports over imports has been some \$835,000,000, in comparison with a very small excess in the corresponding period of last year. Including silver, the excess of exports for the six months was as much as \$846,000,000. The full statement of the gold movements is not yet to hand. Apparently the country has imported about \$120,000,000 in gold. Further, it has probably had to remit abroad during the half-year a sum of about \$200,000,000 for interest, freights, etc. This amount has been unusually small, as there are very few American tourists abroad at the present time, and the sums remitted from people in the United States to friends in Europe have been reduced. We calculate that in a normal year the country needs about \$700,000,000 to finance its foreign payments for interest, tourists, gifts to friends, etc., but that in the current year, with practically no tourists, with American gifts to foreign friends reduced rather than increased, notwithstanding the great liberality of the American people to Belgium, and with very little passenger travel, the foreign payments of the States for the purposes may not be much over \$400,000,000. After deducting gold imports and the sum remitted for interest, &c., the balance remaining to the credit of the States in respect of the past six months has been about \$500,000,000. Of this total nearly \$200,000,000 in the half-year was placed in foreign securities of one kind and another, and the balance of over \$300,000,000 has been left abroad for employment, or has been taken home in the form of American securities repurchased from other countries. We set out below a comparison of the foreign trade of the United States for the six months to the end of June:—

#### Excess of Exports over Imports.—Six Months to June 30, 1915.

	Six Months to June		
	1915	1914	
Imports	\$ 865,861,000	\$ 980,915,000	— 115,054,000
Exports	1,701,413,000	1,046,843,000	+ 654,570,000
Excess of Exports	835,552,000	65,928,000	+ 769,624,000

To show the purposes for which the excess of \$835,000,000 of exports over imports has been used, we give the following statement:—

*Excess of Exports over Imports—Six Months to June 30, 1915.*

Merchandise, exp. ... ..	835,553,000
Silver, exp. ... ..	11,000,000
Total ... ..	846,000,000
Gold, net imports est. ... ..	120,000,000
Interest, &c. ... ..	200,000,000
Total ... ..	320,000,000
Public subscriptions to foreign securities in New York ... ..	188,000,000
Total ... ..	508,000,000
American capital privately placed in Europe in one way or another and by purchase of securities, &c. ... ..	338,000,000
	= £70,000,000

As to the capacity of the United States to export in the coming six and twelve months no doubt whatever can exist. The crops now being gathered are abundant, and should leave a very large quantity for export. The estimated total yield of wheat is no less than 963,000,000 bushels, and of this total at least 300,000,000 bushels should be available for shipment. The maize crop, according to present conditions, promises to be over the average of recent years and substantially greater than last year. The last Government crop estimate was for 2,814,000,000 bushels in comparison with 2,673,000,000 bushels last year. The oat crop is placed at 1,288,000,000 bushels, against 1,141,000,000 bushels last year, while the condition of the hay crop was substantially above the average. With profitable prices for food these crops should yield to the country and to farmers a great income. The cotton crop also promises to be abundant. Nothing need, of course, be said about the manufacturing capacity of the United States. During the past year it has not been fully employed. It is obvious that if markets can be obtained for American goods the production of them can be very greatly increased. The statement of the United States Steel Corporation shows that the demand for iron and steel is now expanding. At the end of June last year the orders in hand were for only 4,000,000 tons, while in November last they fell to about 3,300,000 tons, and they have now increased to 4,678,000 tons. In November the Corporation was operating at less than 40 per cent. of its capacity, whereas now it is operating about 90 per cent. of its plant.

Should the American people provide their customers with the means of buying their goods to the extent they wish to purchase, then obviously American trade in the coming year, both home and foreign, will show vast expansion. If Europe continues to buy goods as freely as existing orders indicate, we calculate that in the six months to the end of December the value of the export trade will be quite unprecedented and not improbably the excess of exports over imports will reach \$1,000,000,000 in half a year. Of course, should our expectations of America's enterprising spirit and of her willingness to invest abroad not be realised, her export trade would not expand to the extent we anticipate. Indeed, the economies that would be forced upon the civilian populations of Europe would not only reduce the demand for American goods, but would lower the prices of the produce America succeeded in selling. The action of American bankers and others last week in purchasing \$40,000,000 of Canadian Government bonds and notes seems to indicate, however, that the United States will lend money freely. The syndicate that negotiated the Canadian notes was headed by Messrs. Morgan and Company and by Messrs. Brown Brothers. In brief, we anticipate that if America lends money freely to other countries it will enjoy a period of great trade activity in the coming year, and that the value of its export trade, which in

the past 12 months has risen to \$2,768,000,000, may in the next 12 months increase to something like \$4,000,000,000.

With regard to the trade of the past twelve months, account has to be taken of the necessity of the United States to meet its last year's tourist and other expenses out of its exports of the year. The aggregate trade of the twelve months to June 30, the amount of the trade balance, and the manner it has been settled are shown by the following:—

*Foreign Trade of United States—Year to June 30.*

	1915	1914	Inc. or Dec.
Imports...	1,674,221,000	1,893,925,000	-219,704,000
Exports	2,768,194,000	2,364,579,000	+403,615,000
Exc. of Exports	1,093,973,000	470,654,000	+623,319,000

The manner in which this excess of \$1,094,000,000 of exports over imports has been employed is shown by the following statement:—

*Trade Balance U.S.—Twelve Months to June 1915.*

Excess of merchandise exports ... ..	1,094,000,000
Net exports of silver, June estimated ... ..	24,000,000
Net imports of gold, June estimated ... ..	10,000,000
Total net exports ... ..	1,108,000,000
Interest, tourists, freights, &c....	500,000,000
Balance ... ..	608,000,000
Public loans to other countries ... ..	244,000,000
Balancee ... ..	364,000,000*

\* = to about £75,000,000 settled by banker's loans to other countries and repurchase of American securities from Europe.

Thus, in the past twelve months the United States has bought back its securities from other lands and invested capital abroad to the extent of about £125,000,000. In the current year to June 1915 we shall be disappointed if America does not place abroad some £300,000,000 of capital, either in loans to other lands or in the repurchase of her securities.

## MISSOURI PACIFIC RAILWAY. READJUSTMENT PLAN.

SOME years ago the directors of the Missouri Pacific Railway entered upon a bold scheme of extension and of acquisition which had for its object the stringing together of a number of railways into one trans-continental road, of which the head and corner-stone would be the Missouri Pacific. This policy involved the acquisition of a large number of securities of other lines, as well as the expenditure of a large amount of capital on new construction. Unfortunately, the policy was adopted at a time when business in the United States was affected by lack of confidence which resulted from attacks on railways and other circumstances, and when, consequently, traffic and earnings grew but slowly. The effect of these conditions upon the profits of the Missouri Pacific was accentuated by the rise in the rate of wages and in the prices of commodities on the one hand, and inability on the part of the railways to secure compensation in increased rates on the other. Hence, against a moderate expansion in the traffic and earnings of the Missouri Pacific its expenses and interest charges showed large increase, and the net income became insufficient to meet the fixed charges. The Company so far has avoided the appointment of a Receiver. As far as management is concerned, everything appears to have been done that could be done to secure economy, the Company having appointed as President Mr. B. F. Bush, who has devoted a great amount of attention to improving the physical condition of the road and introducing economies into the cost of conducting transportation. In spite, however, of all efforts, expenses have grown more rapidly than the income, and the Company has been faced with recurring deficits, and has consequently had difficulty in meeting its fixed charges. In these circumstances a

readjustment of the finances has become imperative, both for the purpose of reducing the interest charges to a sum that can be met out of net income and to enable the Company to raise the new capital required for betterments and improvements. A plan of readjustment has now been formulated which promises to place the finances of the Company in a thoroughly sound position.

Several important problems have to be faced. First provision has to be made for retiring nearly \$25,000,000 of extended notes due next year and \$3,861,000 of Equipment bonds. Further, it is necessary to take care of some \$50,000,000 of indebtedness maturing during the next 5½ years and to ensure the raising of new capital. Hence, if the proposed scheme is not carried out the foreclosure of mortgages and a compulsory reorganisation will become necessary.

Briefly, the scheme calls for an assessment of \$50 a share on the \$82,840,000 of capital stock, and in return for the \$41,420,000 to be so paid stockholders will receive new General Mortgage bonds to an amount equivalent to the sum paid under assessment. At present the total capital of the Missouri Pacific is almost \$365,000,000, of which \$282,000,000 consists of interest-bearing obligations and \$83,000,000 of capital stock. The proposal under the plan is that \$128,460,000 of underlying bonds shall remain undisturbed, that \$28,706,000 of extended notes and Equipment bonds shall be retired, and that the remaining \$125,000,000 of bonds shall be exchanged, some into 5% First and Refunding Mortgage bonds, some into 4% General Mortgage bonds, and some into a junior security, to wit a 5% Preferred stock. In drawing up the plan careful attention has been given to the respective merits of each bond, and the density of the traffic upon and the earning power of the several sections of the system upon which the various mortgages are secured have been taken into account. We need not refer in detail to the terms of exchange of existing bonds into new securities, but we have no hesitation in saying that, so far as we can gauge, the plan takes full and fair account of the respective equities of the bond issues affected. To enable our readers to appreciate how it is proposed to deal with the existing capital and the suggested amounts of new securities to be given in return for existing bonds we append the following statement:—

Existing Securities.	To be exchanged as under for Bonds and Stocks of New Company.					
	1st and Ref. 5% Mort. Bonds.	4% Gen. Mt. Bds.	Conv. 5% Stock.	5% Prefd.		
Description.	Amount.	%	Amount.	%	Amount.	%
Bonds undisturbed	128,460,620	—	—	—	—	—
Do. to be retired:						
M. P. 6% notes due June '16	24,845,000	—	—	—	—	—
Equip. bonds due to June '18	3,861,000	—	—	—	—	—
	28,706,000					
Do. to be exchanged:						
Cons. 1st 6%, 1920	14,904,000	110	16,394,400	—	—	—
Coll. Tr. 5%, 1917	14,375,000	100	14,375,000	—	—	—
Coll. Mt. 5%, 1920	9,636,000	100	9,636,000	—	—	—
40-yr. bds. 4%, 1945	37,255,000	—	—	100	37,255,000	—
1st and Ref. 5%, '59	29,806,000	—	—	100	29,806,000	—
Lex. Div. 1st 5%, 1920	650,000	—	—	100	650,000	—
K. and C. P. 1st 5%	3,972,000	—	—	100	3,972,000	—
Cent. Branch 4%	3,459,000	—	50	1,729,500	50	1,729,500
O. Br. U. Pac. 4%	2,500,000	—	50	1,250,000	50	1,250,000
Lerov & C. V. 1st 5%	520,000	—	—	100	520,000	—
K. O. N.-W. 5%	1,024,000	—	—	100	1,024,000	—
Roon. St. L. & So. 5%	500,000	—	—	100	500,000	—
Iron. Mnt. 1st and Ref. 4%	4,175,000	105	4,383,750	—	—	—
Lit. Rock Jnctn. 1st Cons. 6%	393,000	100	393,000	—	—	—
	123,169,000					
Total existing funded debt	280,335,620	—	—	—	—	—
Texas and Pac. endorsed notes	1,741,000	100	1,741,000	—	—	—
Miss. Pac. stock	82,839,585	—	50	41,419,792	—	—
Iron Mountain stock	45,135	—	—	100	45,135	—
Total capital	364,961,340	—	46,923,150	—	44,399,292	—
					76,751,635	

\* Holders are entitled to receive equivalent amount of stock of new Company and \$41,419,792 of 4% General Mortgage bonds upon payment of \$50 per share assessment.

Out of the proceeds of the sum payable under assessment it is proposed to retire \$28,700,000 of

existing indebtedness, thus leaving about \$21,700,000 available for meeting expenses connected with the readjustment scheme, for the repayment of loans and other current liabilities and for various capital purposes. The purposes for which the new money is required will be evident from the following statement:—

For retiring Miss. Pac. 6% notes due on or before June 1, 1916	24,845,000
For retiring Equipment Trust bonds maturing up to June 30, 1918	3,861,000
For adjustments of interest, repayment of loans and other current liabilities, new equipment and immediate improvements, various capital expenditures and outlays incidental to readjustment scheme	12,713,792
Total cash requirements proposed to be met by assessment of \$50 per share on Missouri Pacific stock	41,419,792

The proposed capital of the new Company will be \$379,000,000, or some \$15,000,000 in excess of that of the old Company, but whereas 77.3 per cent. of the present capital consists of interest-bearing bonds and notes, the new capital will consist of less than 58 per cent. of funded debt. By means of the reduction in the funded obligations the interest charges will be scaled down by \$3,319,000 to \$9,626,000. The reduction in bonded debt and in interest charges under the plan will be apparent from the statement given below:—

	Principal.		Annual Interest.
	Amount.	% of Total Capital.	
Existing indebtedness	282,076,620	77.3	12,945,807
Proposed reduction under Readjustment Plan	62,293,558	—	3,319,321
Indebtedness of New Company	219,783,062	57.9	9,626,486

To indicate what will be the amount of the total capital and the interest charges of the new Company we give the statement below:—

#### Proposed Capital and Interest Charges of New Company.

	Amount.	Annual Interest.
	\$	\$
Undisturbed obligations	128,460,620	5,504,357
First and Ref. Mort. 5% bonds	46,923,150	2,346,158
General Mortgage 4% bonds	44,399,292	1,775,971
Total	219,783,062	9,626,486
5% Preferred stock	76,751,635	3,837,582
Common stock	82,839,585	—
	379,374,282	—

Based on the results for the past twelve months the income available for interest charges, after payment of rentals, hire of equipment, interest on equipment obligations, &c., and after making certain adjustments resulting from the new capitalisation, is estimated at about \$12,000,000, a sum sufficient to pay interest on all undisturbed obligations, and the full interest of 5 per cent. on the First and Refunding Mortgage bonds, and of 4 per cent. on the new General Mortgage bonds, with an estimated balance of \$2,374,000, equal to over 3 per cent. on the \$76,752,000 of 5% Preferred stock. This is shown by the following statement:—

	\$
Estimated income, 1914-15, available for fixed charges	12,000,000
Interest on undisturbed bonds	5,504,000
Balance	6,496,000
Interest on 1st and Refunding 5% bonds	2,346,000
Balance	4,150,000
Interest on General Mortgage 4% bonds	1,776,000
Balance = over 3% on 5% Preferred stock	2,374,000

The First and Refunding Mortgage Bonds, nearly \$47,000,000 of which it is proposed shall be in issue, will form part of a total which, including amounts reserved for refunding, shall not exceed in the aggregate three times the amount of Common stock at the time outstanding. That is to say, with the Common stock at its present level the Company will have power to issue a further \$72,000,000 of these bonds, allowing for the refunding of those bonds undisturbed under the plan.

The new Refunding bonds are to mature not earlier than 1965, and are to bear interest not exceeding 6 per cent. The General Mortgage, under which it is proposed \$44,400,000 shall now be issued, will be limited to \$100,000,000, to mature not earlier than

1975, and to bear interest not exceeding 6 per cent. The Company will have power to raise a further \$56,000,000 of these bonds. In all, therefore, the Company will be given power under the plan to raise nearly \$128,000,000 of new capital by means of bond issues. The Preferred stock will be convertible into Common stock at par and as from June 30, 1918, will be entitled to cumulative 5 per cent. dividends. For the full dividend to be earned on the Preferred stock the net profit would have to expand \$1,500,000.

The market price of the 4% General Mortgage bonds is about 70 per cent., while the new Common stock is quoted "when issued" at about 18. Thus, in exchange for the deposit of existing Common stock now quoted at 3, and for the payment of the \$50 a share assessment, stockholders will receive securities of an equal value in the aggregate.

We would refer our readers to a subsequent page containing an official notice to bond and stock holders. The European office for the deposit of bonds is the Guaranty Trust Company of New York, 33 Lombard Street, London, E.C.

## HOME RAILWAY DIVIDENDS. LANCASHIRE AND YORKSHIRE RAILWAY.

THE dividend of the Lancashire and Yorkshire Railway for the past half-year at the rate of  $3\frac{1}{4}$  per cent. compares with 3 per cent. a year ago and with  $3\frac{1}{2}$  per cent. two years ago. In the months immediately preceding the outbreak of the War gross earnings were showing marked decline by reason of absence of activity in the cotton industry; but by means of curtailed operating expenses net earnings for the period showed improvement, and for the whole of 1914 were about £12,000 higher than for 1913, notwithstanding net earnings from August 4 to the end of the year being on a lower level, under the arrangement with the Government, than for the corresponding period of the previous year. Now that under the revised arrangement with the Government the Company's net receipts will revert to the 1913 basis, this sum of about £12,000 will be lost in 1915, and to that extent the means with which to provide for the Company's share of the war bonus to employees, higher interest charges, and dividend on Ordinary stock, will be less than for 1914, when the profit available amounted to £872,000. Capital expenditures proposed to be made this year amount to £455,000, entailing additional charges of, say, £20,000, so that, unless some special credit is received, the payment of the war bonus, together with the higher wages and smaller net receipts, would appear to indicate a reduction in profit to a level lower than that required to pay a dividend of  $4\frac{1}{2}$  per cent. for the year, as in 1913 and 1914. Indeed, a dividend no higher than  $4\frac{3}{8}$  per cent. for the year may be forthcoming, in which case the distribution for the December half will be at the rate of  $5\frac{1}{2}$  per cent., against 6 per cent. last year and  $5\frac{1}{2}$  per cent. for the second half of 1913. The price of the stock is about  $71\frac{1}{2}$ . In considering the yield account should be taken, not of the dividend of  $4\frac{3}{8}$  per cent. paid for the past twelve months, but of the distribution for the current calendar year. If, as appears probable, the distribution is  $4\frac{3}{8}$  per cent., the return at the current quotation is just over  $6\frac{1}{4}$  per cent. The course of dividends during the last dozen years as shown below:—

Lancashire and Yorkshire.												
1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	
Dec. half...	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
June half...	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Year...	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%

## LONDON, BRIGHTON AND SOUTH COAST RAILWAY.

As in the June half of last year, the dividend of the Brighton Railway for the past six months is at the rate of  $2\frac{1}{4}$  per cent. Inasmuch as the rate was  $7\frac{1}{4}$  per cent. for the December half of 1914, the stock receives  $4\frac{3}{8}$  per cent. for the past twelve months, which makes the distribution on the Deferred equal to  $3\frac{1}{2}$  per cent.

For the first half of 1913 the rate of distribution was  $2\frac{1}{2}$  per cent., and for the second half 8 per cent.; but although net receipts for 1915 are being made up to the 1913 level the distribution for the latter half of 1915 is not likely to be higher than that paid six months ago. The profit available for dividend for 1914 amounted to £503,000, and inasmuch as an additional sum of about £32,000 will be received under the agreement existing between the railways and the Government making up the net receipts to the 1913 level, there would appear to be for this year a surplus over last year's dividend requirements of about £39,000, out of which to pay the Company's share of the war bonus and the extra interest charges. The latter for 1915 may be about £10,000 more than for 1914, the Company having planned for this year further expenditures upon equipping certain of its suburban lines for electrical working and upon new rolling stock. The price of the Ordinary stock is now about 74, at which the return from the  $4\frac{3}{8}$  per cent. dividend paid for the past twelve months, and likely to be paid for the current calendar year, is approximately  $6\frac{3}{8}$  per cent. Upon the 6% Preferred, quoted at  $99\frac{3}{4}$ , the return is £6 4s. The Deferred stock now stands at  $52\frac{1}{2}$ , at which the yield from the  $3\frac{1}{2}$  per cent. distribution is almost  $6\frac{7}{8}$  per cent. The fluctuations in the dividends paid in the last twelve years will be apparent from the appended statement:—

London, Brighton and South Coast Ordinary.												
1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	
Dec. half...	7%	8%	8%	8%	7%	7%	7%	6%	7%	8%	7%	7%
June half...	2%	2%	2%	2%	3%	3%	2%	2%	2%	3%	3%	3%
Year...	4%	5%	5%	5%	5%	5%	4%	5%	5%	5%	5%	5%
London, Brighton & South Coast Deferred Ordinary.												
Year...	3%	4%	4%	4%	5%	4%	4%	3%	4%	6%	5%	5%

## RHYMNEY RAILWAY.

The dividend of the Rhymney Railway Company is at the rate of 8 per cent. per annum, the same as for the June half of 1914 and 1913; but owing to a reduction in the rate of distribution from 10 per cent. to 9 per cent. in the December half of 1914, the dividend for the twelve months to June last is  $8\frac{1}{2}$  per cent., as against 9 per cent. The Company will have no difficulty in maintaining the final distribution this year at the rate of 9 per cent. per annum, making  $8\frac{1}{2}$  per cent. for the year, as in 1914. According to the last annual report, the profit for dividend was £88,545, and as the distribution of  $8\frac{1}{2}$  per cent. called for a sum of £84,000, there was a surplus of about £4,500. In the current year the Company will receive an additional £5,000 net revenue under the Government agreement, and consequently it will have approximately £9,500 above dividend requirements with which to meet the War bonus and any increase in capital charges. This sum should be more than sufficient for the purpose. The payment of  $8\frac{1}{2}$  per cent. for the year on the Undivided Ordinary stock gives  $4\frac{1}{2}$  per cent. on the Deferred, as against 5 per cent. a year ago. The price of the Ordinary is nominally 148, and the distribution of  $8\frac{1}{2}$  per cent. affords a yield of about £5 18s. 6d. per cent. No transactions have apparently taken place in the Deferred stock since the outbreak of war, when the price stood at  $92\frac{1}{2}$ . The dividends paid by the Company in recent years have been as follows:—

Rhymney Undivided Ordinary.												
1914-15.	'13-14.	'12-13.	'11-2.	'10-1.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.	
Dec. half...	9%	10%	10%	9%	9%	9%	8%	7%	7%	6%	8%	8%
June half...	8%	8%	8%	7%	9%	9%	7%	7%	7%	7%	7%	8%
Year...	8%	9%	9%	8%	9%	9%	8%	7%	6%	8%	8%	8%
Rhymney Deferred.												
Year...	4%	5%	5%	4%	5%	5%	4%	3%	3%	2%	4%	4%

## BARRY RAILWAY.

This Company last year divided profits up to the hilt, and the dividend of  $9\frac{1}{2}$  per cent. paid was barely covered by the profits earned. Consequently, although it is receiving this year an additional net income of £9,000 from the Government, the sum is apparently insufficient to meet the higher interest charges and

war bonus, with the result that the interim dividend on account of the current year is reduced from 10 per cent to 9½ per cent. per annum, making 9¼ per cent. for the twelvemonth, as against 10 per cent. The Company should, however, be able to maintain this rate of distribution for the calendar year to December next, and in comparison with 1914, when 9½ per cent. was paid, it would mean a reduction of ½ per cent. only. The Deferred stock receives a dividend at the rate of 5½ per cent. for the half-year, as against 6 per cent., and for the twelvemonth the rate is 5¼ per cent., as against 6 per cent. The dividend record of the Company for the last dozen years is appended:—

Barry Ordinary.												
	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half	9	10	10	7	6	6½	7	7½	9	8	9	9
June half	9½	10	10	4	6	7	6	6½	8½	10	8	10
Year	9½	10	10	5½	6	6½	6½	7	8½	9	8½	9½

Barry Deferred.												
	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half	5	5	6	3	2	2½	3	3½	5	4	5	5
June half	5½	6	6	Nil	2	3	2	2½	4½	6	4	6
Year	5½	6	6	1½	2	2½	2½	3	4½	5	4½	5½

The Deferred stock is quoted at about 80½, and on a 5¼ per cent. dividend basis the yield is £6¼ per cent.

HULL AND BARNESLEY.

Some disappointment has been felt at the absence of increase in the interim distribution of the Hull and Barnesley Company, which is at the rate of 1½ per cent. per annum. In the June half of last year the Company did badly, owing to the strikes of Yorkshire miners and pit-prop workers at Hull, and for the six months profits were reduced by as much as £32,000, or 50 per cent. For the year also the loss of profit amounted to nearly 50 per cent., the net revenue received from the Government in respect of the latter five months being subject to a reduction in proportion to the loss of the preceding half-year. Under the present agreement with the Government the Company will recover the whole of last year's loss of net revenue in the current twelve months, against which it has to provide 25 per cent. of the war bonus and any increase in capital charges. It is in this latter direction that the Hull and Barnesley has been particularly hit. In August last, it will be recollected, the King George Dock at Hull was opened for traffic, and in the ordinary course of events should now be more than paying its way. As it is, the development of the dock has been greatly retarded, and inasmuch as the Company has had to meet, as from August 1 last, interest on £1,250,000 of additional capital expended on the dock, the burden upon profits has been pretty heavy. Whether or not the Company will be able to maintain the final dividend for the year at 2½ per cent. remains to be seen, but in view of the large increase in prior charges this year, the margin behind the dividend may be a narrow one. Recent declarations have been as follows:—

Hull and Barnesley.												
	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half	2½	4	5	4	4½	4½	2½	3½	4½	2½	2½	2
June half	1½	1½	3	1	2	3	1½	1	2	Nil	Nil	Nil
Year	2	2½	4	2½	3½	3½	2½	2½	3½	1½	1½	1

It will be seen that the dividend for the past twelve months is 2 per cent., and with the price of the stock at about 46 the maintenance of this rate of distribution would afford a yield of £4 8s. 6d. per cent.

BANK OF MONTREAL.—Dividend of 2½ per cent. for the quarter ending July 31, 1915.  
CANADIAN BANK OF COMMERCE.—Dividend of 2½ per cent. upon the capital stock for the three months ending August 31 next.  
EASTMAN KODAK COMPANY OF NEW JERSEY.—Extra dividend of 5 per cent upon the Common stock.  
NATIONAL GAS ENGINE COMPANY.—Interim dividend at rate of 7½ per cent. per annum on Ordinary shares, less tax.

BUENOS AYRES WESTERN RAILWAY.  
DIVIDEND PROSPECTS.

To the Buenos Ayres Western belongs the distinction among Argentine railway companies of having added to its gross earnings in the past twelve months. The increase, it is true, is not large; nevertheless, having regard to the heavy losses sustained by its immediate neighbours, the achievement of the Western Company is exceptionally good. The railway radiates through the rich agricultural and pastoral districts of the western portion of the Province of Buenos Ayres. Here wheat, maize, barley, oats, hay, etc., are grown in large quantities, and whilst wheat is by far the most important cereal cultivated, maize also forms a big percentage of the traffic handled by the Company. The 1914 wheat crop was a poor one, and the demand relatively small, whilst the 1915 crop was not only good but the demand exceptionally great at phenomenally high prices. Maize, too, made a good harvest in 1914-15, as against an indifferent crop in the preceding season. The present crop is also an excellent one, and is being marketed at very remunerative prices, so that big traffics are likely to be the order of the day for several months to come.

Owing to the exceptionally wet weather of the early months of the past season the transport of cereals to the coast was for a time considerably delayed, added to which shipping facilities, owing to the war, were greatly restricted. Consequently it was not until the middle of February last that the better crops became apparent in railway traffic returns. For the seven months to the end of January the gross receipts of the Buenos Ayres Western Company showed a decline of £180,000, or 12.5 per cent. In the following month a change for the better set in, and, almost without exception, the weekly returns since then have shown satisfactory increases. The result is that the whole of the previous losses have been wiped out, and the year closed with an increase in gross receipts of £20,000, or nearly 1 per cent. To show the improvement in earnings in the last five months of the year and the meagre traffics with which comparison has now to be made, we give the following table:—

Course of Traffic Receipts since July 1, 1911.				
Month	Principal Crops Carried	1914-15	1913-14	1912-13
July	Maize	147,000	177,000	182,000
August	"	164,000	216,000	187,000
September	"	146,000	141,000	259,000
3 months	"	457,000	534,000	628,000
October	"	142,000	185,000	200,000
November	"	226,000	244,000	210,000
December	Wheat	211,000	211,000	302,000
6 months	"	1,036,000	1,174,000	1,340,000
January	"	221,000	263,000	233,000
February	"	243,000	241,000	261,000
March	"	296,000	220,000	338,000
9 months	"	1,796,000	1,898,000	2,172,000
April	"	234,000	180,000	269,000
May	Maize	291,000	204,000	218,000
June	"	226,000	247,000	247,000
12 months	"	2,549,000	2,529,000	2,906,000

\* Strike period.

The good maize crop of the current season should keep the Company busy for several months, and although it is too early yet to form a reliable opinion as to the size of the next wheat harvest, weather conditions, so far, have been favourable to the young growth, and if all goes well a large crop will be gathered later on. The disadvantage under which the Argentine railways are labouring at the moment is the scarcity of up traffic, but the enormous growth in the wealth of the country as a result of the remunerative prices now being obtained for its produce must sooner or later stimulate the import trade, and bring about an all-round recovery in general traffic. This is important for the Buenos Ayres Western, whose income from general goods forms approximately one-third of the total freight revenue of the line. The relative values of the various sources of income may be gathered from the appended summary of the freight

tonnage of the line and the revenue derived therefrom, in each of the last three years:—

*Freight Traffic, B.A. Western Railway.*

Goods.	Quantity		Receipts		1911-12
	1913-14	1912-13	1911-12	1913-14	
	Tons	Tons	Tons	£	£
Wheat ...	657,160	896,259	739,103	326,808	453,298
Maise ...	511,702	796,921	183,183	173,070	284,827
Hay ...	186,102	144,396	160,658	74,251	71,807
Oats ...	78,918	196,904	231,749	32,340	88,021
Wool ...	11,359	11,708	15,448	28,518	27,795
Flour ...	51,593	48,074	42,411	24,916	22,870
Linseed ...	45,940	35,917	26,296	17,591	13,862
Hides, skins ...	6,440	8,869	11,639	15,089	19,024
Stone, bricks ...	64,477	64,011	80,698	8,772	10,048
Fencing posts ...	15,723	20,824	22,637	8,829	11,216
Bran ...	15,326	20,203	13,346	6,547	8,426
Barley ...	15,127	10,482	7,292	5,258	3,985
General goods ...	545,449	641,447	613,650	433,591	513,423
Total goods ...	2,175,316	2,896,015	2,148,010	1,155,580	1,528,602
<i>Live Stock.</i>	No.	No.	No.	£	£
Cattle ...	1,832,345	1,746,351	1,683,387	305,282	273,786
Sheep ...	5,134,277	5,483,544	5,613,814	68,461	66,881
Horses ...	21,141	26,813	27,935	8,916	10,573
Pigs ...	125,566	89,137	83,569	8,274	5,709
Total live stock ...	7,113,329	7,345,845	7,408,698	390,933	356,949

The passenger traffic is also of prime importance, and up to two years ago had shown enormous expansion, as may be seen from the following comparison. The growing wealth of the country will undoubtedly be experienced in maintaining the dividend at 5 per cent. The directors may possibly covery in this branch of the Company's business.

*Coaching Traffic.*

Year.	Passengers	Luggage, Coaching	
		Receipts	Receipts
	No.	£	£
1913-14 ...	11,955,684	694,937	287,728
1912-13 ...	11,462,842	744,222	276,235
1911-12 ...	9,572,758	670,640	243,756
1910-11 ...	9,072,163	653,673	242,650
1909-10 ...	7,489,501	603,396	221,077
1908-09 ...	6,573,425	559,238	191,786
1907-08 ...	6,012,250	520,077	172,917
1906-07 ...	4,873,701	470,497	157,374
1905-06 ...	3,694,321	402,829	133,639
1904-05 ...	3,286,444	322,750	110,199

Reverting to the past year's results, it will be appreciated that in view of the growth in earnings no difficulty is likely to be experienced in maintaining the dividend at 5 per cent. The directors may possibly find themselves short of the sum needed, but with the outlook favourable they would have no compunction in drawing upon reserves, if needed, in order to make good the deficiency. The necessity may, however, not arise. In the first place, the increase in capital charges will not be heavy, for whilst on the one hand Debenture interest, etc., may call for an extra £70,000, dividend requirements on a 5 per cent. basis will absorb £24,000 less, owing to deduction of tax at the higher rate now in force. On balance, therefore, net revenue charges will be only £47,000 heavier than in 1913-14. Last year, however, there was a shortage in earning 5 per cent. on the share capital of £78,000, and if to this is added the increase of £47,000 in interest charges in respect of the past year, the deficiency to be made good if the dividend is to be earned is £125,000. Against this there is an increase of £20,000 in gross receipts, leaving £105,000 to be provided for the dividend to be covered by the profits of the year. The question arises, therefore, can the Company save this amount in working expenses? The answer depends largely on the policy of the board. The economies effected by curtailing the train service have doubtless been considerable, and should more than offset the higher price paid for coal. Labour, too, has been cheaper, and the saving both in wages and material arising from the reduction to a minimum of all renewal and repair work must have amounted to a relatively large figure. However, apart from these considerations, the suspension, or, at any rate, reduction in the special renewal charges on last year's basis would alone be sufficient to make good the deficiency in earning the 5 per cent. dividend. These charges are usually based on the gross results of the period, and in recent years have been allocated as follows:—

*Renewal Outlays Charged to Expenses.*

	1913-14	1912-13	1911-12	1910-11	1909-10
	£	£	£	£	£
Perm. way & works ...	97,650	139,633	51,218	137,430	82,128
Locomotives ...	15,243	22,200	6,074	28,743	26,812
Carriages ...	8,422	11,362	2,913	13,185	8,696
Waggons ...	24,980	34,171	8,652	38,833	34,784
Total ...	146,302	207,366	48,857	218,191	152,420
% of gross receipts	5.80%	7.14%	2.01%	8.28%	6.62%

In the special circumstances now obtaining, the directors may feel justified in relinquishing, or, at any rate, relaxing, the policy usually adopted, especially having regard to the largeness of the renewal funds, which, according to the last balance sheet, amounted to no less than £796,382. However, it is apparent that a further marked saving in working expenses can and will be effected, and that in all probability the dividend of 5 per cent. has been fully earned, and will again be distributed. The revenue statement of the Company for the past three years, and the estimated results for 1914-15 on the basis outlined, are set out in the following table:—

*Buenos Ayres Western Railway.*

	1914-15*	1913-14	1912-13	1911-12
	£	£	£	£
Gross earnings ...	2,549,000	2,529,178	2,906,008	2,425,689
Expenses ...	1,383,000	1,487,752	1,659,615	1,339,517
Ratio ...	(54.25)	(58.82)	(57.11)	(55.22)
Net earnings ...	1,166,000	1,041,426	1,246,493	1,086,165
Miscellaneous income ...	194,000	194,530	227,285	182,937
Total net income ...	1,360,000	1,235,956	1,473,778	1,269,102
First charges, bonds, Debentures, &c. ...	440,000	369,376	347,498	345,550
Net profit for Preference	920,000	866,580	1,126,280	923,552
Div. on 5% Preference ...	15,000	15,000	15,000	15,000
Balance ...	905,000	851,580	1,111,280	908,552
Div. on 4½% Preference ...	115,000	114,855	114,855	114,855
Balance ...	790,000	736,725	996,425	793,697
Div. on 4% Exten. shares	144,000	144,000	224,000	175,597
Net profit for Ordinary ...	646,000	592,725	772,425	618,100
Dividend on Ordinary ...	646,000	670,771	794,925	659,592
Per cent. ...	(5%)	(5%)	(7%)	(7%)
Balance ...	—	Dr. 78,046	Dr. 22,500	Dr. 41,492
Brought forward ...	47,000	125,105	147,605	189,097
Balance ...	47,000	47,059	125,105	147,605
To reserve funds ...	—	—	—	—
Carried forward ...	47,000	47,059	125,105	147,605

\* Estimated.

Now that the corner has apparently been turned, the Company should quickly recover lost ground, and if the coming wheat crop is up to expectation, the current twelve months should witness a marked expansion in both the earnings and profits of the line.

For the purpose of showing how well the Company has done in the past, we give herewith a retrospect of the main results of working over an extended period:—

*Buenos Ayres Western Railway.*

Year to June 30	Miles Open	Gross Earnings	Expenses	Ratio	Net Earnings	Net Profit for Ordinary	Dividend
	£	£	£	%	£	£	%
1914-15*	1,867	2,549,000	1,383,000	54.25	1,166,000	646,000	5
1913-14	1,792	2,529,000	1,488,000	58.82	1,041,000	593,000	5
1912-13	1,781	2,906,000	1,660,000	57.11	1,246,000	772,000	7
1911-12	1,659	2,425,000	1,339,000	55.22	1,086,000	618,000	7
1910-11	1,586	2,634,000	1,392,000	52.86	1,242,000	866,000	7½
1909-10	1,365	2,300,000	1,300,000	56.52	1,000,000	670,000	7
1908-09	1,305	2,297,000	1,270,000	55.28	1,027,000	741,000	7
1907-08	1,219	2,205,000	1,214,000	55.08	991,000	741,000	7
1906-07	1,111	1,995,000	1,122,000	56.25	873,000	668,000	7
1905-06	966	1,780,000	940,000	52.83	840,000	689,000	7
1904-05	966	1,514,000	732,000	48.33	782,000	637,000	7
1903-04	816	1,385,000	667,000	48.16	718,000	593,000	7
1902-03	732	1,180,000	562,000	47.63	618,000	495,000	7

\* Estimated.

Pressure of sales on a limited market, arising from the exceptional financial difficulties now existing rather than from any other cause, has lowered the prices of the Company's securities to figures undoubtedly beneath their intrinsic values, and a recovery should be witnessed when the present abnormal conditions pass away.

The Ordinary stock is now quoted at about 82½, and as the yield from the 5-per-cent. dividend is as much as £6½ per cent., there is certainly room for

considerable improvement. The Preference issues are safe investments, and at its current quotation the 4½% shares are an attractive purchase. The Mortgage bonds of the Western Railway of Buenos Ayres can be bought to yield £5 8s. per cent., allowing for redemption at par in 1925, whilst the 4% Debenture stock, which may be regarded as practically gilt-edged, is at 79¼, only giving a yield of £5 1s. 3d. per cent. The capital of the undertaking is as follows:—

Name	Amount	Dividend	Price	Yield
	£	%	£	£ s. d.
Western Ry. of Buenos Ayres 5%	1,000,000	5	97½	5 8 0b
Mort. bonds, redeemable 1925	7,872,203	4	79½	5 1 3
4% Debenture stock ... ..	300,000	5	10½	4 14 4
5% Preference (£10) ... ..	2,552,340	4½	7½	5 16 0
4½% Preference (£10) ... ..	3,600,000	4	7½	(a)
4% Extension shares, 1915 (£10)s	13,747,660	5	82½	6 5 0
Ordinary stock ... ..	29,072,203			

(a) These shares are entitled to dividends of 4% until June 30, 1915, after which they will rank for dividend and in every way *pari passu* with the Ordinary stock.

(b) Allowing for redemption at par in 1925.

## BRITISH NORTH BORNEO COMPANY.

FOR 1913 the North British Borneo Company's revenue showed an increase of about £34,000 over that for the previous year. During the first seven months of 1914 the receipts were much in excess of those of the corresponding period of 1913, and the directors had every reason to anticipate that the total receipts for 1914 would show an increase largely in excess of that reported for 1913. But the outbreak of War caused a cessation of trade, and, consequently, a heavy falling off in revenue occurred from the beginning of August, nearly all important sources of revenue suffering severely, especially Customs and railway. For the whole of the year, however, the total receipts in Borneo very closely approximated those for the previous year, amounting to £209,012, as compared with £210,197. The Customs receipts are regarded as the best index of the progress of the State, and from this source the Company secured in 1914 a total of £65,647, as compared with £72,927 for 1913. In the past the Company has secured exceptional revenue from land sales, more especially at the time of the rubber boom, when large quantities of land were acquired by rubber companies, which resulted in exceptional revenue for the Company. Recognising, however, that the sum of £250,000 secured in this manner was abnormal, a substantial portion of the amount was carried to reserve for the purpose of equalisation of dividends in future years. The sales of land on a large scale have now practically ceased, the revenue from land sales last year being only £1,068. Though the Company received considerable benefit by the sales of land, another factor was introduced into the situation thereby, which, for the time being, can only be regarded as rather unsatisfactory. By reason of arrangements made with the subsidiary companies floated for rubber-growing, the parent Company has temporarily locked up a large amount of capital, inasmuch as it has made advances to its subsidiary rubber companies under guarantee of dividends during the unproductive period of six years. These advances make up a total of £225,523, which is repayable out of the profit of the rubber companies, without interest, after earning 6 per cent. on their paid-up capital. As the guarantees run until 1916 the total amount so locked up will ultimately be somewhat larger than the figure mentioned. From 1909 to 1913 inclusive the Company paid a steady dividend of 5 per cent. per annum, which was partially provided from the proceeds of land sales. In addition, however, it has been necessary to provide a further sum in order to maintain the 5 per cent. throughout; and, in consequence of the revaluation of the property which took place in 1912, showing an increase of £80,000 in the value, the profit and loss account received the benefit of this sum as on a former occasion, the amount having been treated as profit available for dividend. Apart from this increase of revenue from land revaluation and the excep-

tional amount received from sales of land, it is satisfactory to find that the ordinary revenue shows steady expansion year by year, as may be seen from the amount of the revenue exclusive of the land sales for the last ten years set out herewith:—

### Revenue, Exclusive of Land Sales.

Year	£	Year	£
1914 ... ..	234,803	1909 ... ..	140,276
1913 ... ..	234,075	1908 ... ..	127,463
1912 ... ..	197,242	1907 ... ..	127,496
1911 ... ..	180,249	1906 ... ..	112,765
1910 ... ..	170,767	1905 ... ..	103,942

The total receipts for 1914 in Borneo and in London have amounted to £235,871, as compared with £234,930 for 1913. But with an increase in the expenditure, in the amount set aside for depreciation, and in the sum required for Debenture interest, which has doubled, the surplus would have been much smaller had it not been that last year the profit and loss had to bear the expense of a new issue of Debentures and also a loss on sale of investments, the two items totalling £44,728. As it is, the surplus for 1914 is £42,871, as compared with £32,159. Adding to this the amount brought forward of £27,446 there is a total of £70,317. The report points out that the directors recommend the payment of a dividend of 2½ per cent. for 1914, which was earned during the year under review, "but they regret that the distribution must be postponed for the present as all the funds now at their command are required for conversion of the Company's Consols into War Loan stock and for the assistance of the various subsidiary companies, whose finances have been seriously affected by the War."

To indicate the manner in which the profits of recent years have been distributed we give the following:—

	1914	1913	1912	1911	1910	1909
£	£	£	£	£	£	£
Receipts in Borneo ...	209,012	210,197	176,269	159,456	221,284	236,322
Do. London ...	28,859	24,733	21,275	21,190	26,275	6,866
Ino. in valuation of territory ...	—	—	80,000	—	—	8,823
Total ...	235,871	234,930	277,544	180,646	247,559	252,011
Less—Expenditure in Borneo ...	119,018	115,545	105,094	96,746	95,107	88,121
Do. London ...	10,735	9,688	9,453	9,810	7,752	6,882
Depreciation and adjustment of exchange ...	16,747	10,310	11,337	11,614	13,326	8,824
Sundry writings off ...	1,500	44,728	9,935	—	—	—
Debenture & bond interest ...	45,000	22,500	11,250	—	12,227	22,839
Surplus ...	42,871	32,159	129,336	62,833	117,069	124,475
Dividend ...	—	92,209	92,209	91,962	88,967	56,175
		(5%)	(5%)	(5%)	(5%)	(5%)
Reserve ...	—	—	—	16,000	55,000	50,000
Balance ...	42,871	60,050	37,127	45,129	25,888	18,300
Brought forward ...	27,446	87,496	50,369	95,498	122,376	104,076
Carried forward ...	70,317	27,446	87,496	50,369	95,498	122,376

It is added that no valuation of the securities of the Company or estimate of the depreciation of investments has been attempted in view of the financial situation caused by the War. The total assets are valued at £3,072,302, of which the investments stand in at £517,657. The total loans and advances made, including sums advanced to rubber companies, is £519,759. The land and property account amounts to £1,084,363. The following shows the position of the Company as at the end of 1914:—

LIABILITIES.	£	ASSETS.	£
Issued capital ... ..	1,845,069	Land and property ... ..	1,084,363
4½% 1st Mort. Debentures ...	1,000,000	Railway and rolling-stock ...	730,327
Sundry creditors ... ..	252,686	Telegraphs ... ..	66,230
Loan ... ..	114,000	Works and buildings ... ..	214,134
Reserve ... ..	120,000	Stores, &c. ... ..	29,602
Profit and loss ... ..	70,317	Loans, advances, &c. ... ..	519,759
		Debenture issue, cost ... ..	82,707
		Investments ... ..	517,657
		Cash, &c. ... ..	158,293
	3,402,072		3,402,072

It may be recalled that the area of the property administered by the Company is about 31,000 square miles, or 20,000,000 acres. The Company possesses all administrative rights over this area under the suzerainty of Great Britain. It is almost entirely an administrative concern, so that its revenue is chiefly

made up of administrative receipts, taxes, export duties, postal services, coinage, &c. The total authorised capital is £2,000,000 in £1 shares, and there have been issued 1,845,109 shares, which are fully paid. The following are the chief assets of the Company:—

1. Sovereign rights, under which the Company is empowered to frame and enforce laws, to fix Customs and other tariffs, and to levy taxes for revenue purposes within the State of North Borneo.
2. Territorial rights over the whole of the State, the area of which is estimated at some 31,000 square miles (about the size of Ireland), and a large portion of which is suitable for the cultivation of rubber and high-class tobacco. The coast-line of the Company's territory, which is approximately 900 miles in extent, is indented with several excellent harbours.
3. The marketable timber on the land—estimated at not less than 50,000,000 tons.
4. One-fifth share of the profits of the British Borneo Exploration Company, Limited, which has been granted the exclusive rights for 50 years to search for minerals on condition that £10,000 per annum is spent on prospecting.
5. A fully equipped metre-gauge railway 130 miles in length.
6. About 800 miles of telegraph and telephone lines.
7. Numerous public works, such as Government offices, officers' and police quarters, hospitals, jetties, &c.

It is, of course, to be anticipated that the upset caused by the War will continue for some time to come. But, taking a longer view, there is no doubt that, given a continuance of the good management now exhibited, the Company's career will be very prosperous. It is only practically at the beginning of its work of developing the large territory controlled, and the estates awaiting development bid fair to prove distinctly valuable, so that, with a resumption of normal times, progress should again be made, and the shareholders be amply rewarded for the temporary falling off in prosperity. The following shows the present prices of the securities.

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
1,000,000	4½% 1st Mort. Debs. ...	—	79	4½	5 13 11
1,845,109	Ordinary shares, ...	1	10.3	—	—

**BANCO DE LA HABANA, HAVANA.**—Shareholders are notified that a special meeting for the purpose of considering matters mentioned in paragraphs 1 to 5 and last of Art. 31 of the by-laws and passing consequent resolutions arising therefrom will be held at the offices of the Bank in Havana on Friday, August 20. Holders of bearer shares wishing to be represented must deposit their shares on or before August 11 with the National City Bank, New York, or the Anglo South American Bank, Limited, Old Broad Street, London.

**Bristol Tramways and Carriage Company.**—Interim dividend at rate of 4 per cent. per annum.

**"GRAPHIC," "DAILY GRAPHIC," AND "BYSTANDER."**—Dividend of 12½ per cent. per annum.

**JONES' SEWING MACHINE COMPANY.**—Dividend at rate of 8 per cent. for half-year on Ordinary shares, making 7 per cent. for the year.

**LAW UNION AND ROCK INSURANCE COMPANY.**—Prompted by the rate of interest of the new War Loan, the Law Union and Rock Insurance Company has lost no time in substantially liberalising its annuity terms. It is now issuing a table offering rates from age fifty upwards which show substantial improvement on those hitherto adopted. A male life of fifty-five will now get £7 19s. 2d. per £100 sunk, and a female £7 5s. 2d., being advances of 8s. on previous terms. At age sixty-five the respective rates are £10 16s. 8d. and £9 12s. 6d., advances of 9s. and 4s. 6d., and at age seventy-five £16 6s. 8d. and £14 13s., as against £15 14s. 4d. and £14 7s. 10d. on the old scale.

**MOSS' EMPIRES.**—Interim dividend on Ordinary shares at the rate of 6 per cent. per annum, less tax.

**THE DOMINION BANK (CANADA).**—The net profit for this Bank for the six months ending June 30 last amounts to \$420,000.

**WESTERN WAGGON AND PROPERTY COMPANY.**—Interim dividend at rate of 10 per cent. per annum.

**WOOLLEY, SANDERS AND COMPANY.**—Dividend of 8 per cent. on Ordinary for year.

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## Insurance Notes.

### STANDARD LIFE ASSURANCE COMPANY.

This important and old-established Scottish life office transacts, in addition to its operations at home, a large colonial and foreign business. It has branches in the East and West Indies, Further Asia, Canada, Egypt, South Africa, South America; also in three European countries—viz., Belgium, Hungary, and Spain. Since the outbreak of the War the directors have suspended business in Belgium and Hungary, and explain that the figures in the last financial statement relating to the Hungarian business are incomplete, and to some extent are unavoidably based upon estimates.

In the year ending November 15, 1914, the Company issued policies for £1,900,333, of which £186,687 was reassured; the net retention at its own risk being £1,713,646, as compared with £2,189,323 in the previous year. Up to the date of the declaration of war the new business figures are reported to have been in excess of the corresponding portion of that year. The total net premium income, reduced by £20,037, amounted to £997,992, in addition to a sum of £53,268 received as consideration for new annuities granted. After making a reasonable allowance for the cost of the annuity business, expenses of management, inclusive of commission, seem to have absorbed about 18.8 per cent. of the premiums. Expenses are somewhat higher proportionately in this Company than the average in British offices, one reason for this being, no doubt, the additional cost that is usually involved by the transaction of business beyond our own shores. As against this must be set the fact that this feature is usually taken into account in the calculation of premium rates for foreign countries. Claims by death in the last

financial year amounted to £746,964, while policies for £249,213 matured by survivorship. Through the year's operations the life assurance and annuity fund was increased by £123,515 to £13,602,219.

The "capital redemption and annuity certain" account shows a premium income of £2,748, apart from consideration for annuities amounting to £1,496, and the relative fund was increased by £2,950 to £13,155.

The assets shown in the balance sheet on November 15, 1914, amounted to £14,112,966. It is explained that the Stock Exchange securities were valued at the last investigation, on November 15, 1910, by taking the middle prices on that date, less accrued interest and dividends; that book values, when they exceeded the market values at that date were written down to market values; and that where the market value exceeded the book value no credit was taken for such appreciation. Presumably such securities as have been subsequently purchased appear in the balance sheet at cost. Another quinquennial valuation is due on November 15, 1915, when values of securities will fall to be adjusted. The assets on November 15, 1914, were distributed as follows:—

Mortgages on property within the United Kingdom	£1,025,193
Mortgages on property out of the United Kingdom	3,279,723
Loans on parochial and other public rates	200,603
Loans on life interests	240,376
Loans on reversions	126,489
Loans on stocks and shares with collateral security	369,404
Loans on Company's policies within their surrender values	1,285,917
Loans on personal security	69,966
Bank deposits for fixed periods	19,984
Freehold ground rents and feu duties	147,857
Freehold house property	698,981
Leasehold house property	6,948
Landed property	9,786
Life interests	85,741
Reversions	25,605
	£7,592,573
Stock Exchange securities	5,896,716
Agents' balances, outstanding premiums and interest, accrued interest, and bills receivable	351,648
Cash in hand and on current account	272,029
	£14,112,966

The interest upon the funds, including shareholders' paid-up capital and uninvested balances, is reported to have amounted during the last financial year to £4 8s. 1d. per cent. Presumably this is subject to deduction of income tax, for the net yield on the life and annuity funds after such deduction appears, from the application of the usual formula to the revenue account, to have been just about 4 per cent., as compared with the rate of 3 per cent. which was assumed for actuarial purposes at the last quinquennial valuation.

### LONDON AND LANCASHIRE FIRE INSURANCE COMPANY, LIMITED.

Great moderation has always been shown by the directors of this Company as regards dividend distributions, by far the larger proportion of profits having been applied to increasing the reserves from year to year. But under normal circumstances this policy automatically conduces to a greater profit-earning capacity, as the interest on accumulations expands, so it is not surprising to find that the dividend for 1914 shows an increase, being 29s. per share, as compared with 27s. for the previous year. The amount required for its distribution represented, however, less than three-fifths of the Company's profits in 1914, apart from provision for depreciation in investments.

The Company transacts fire, marine, and accident insurance business; of these sections the fire department is most important. The fire premiums in 1914, decreased by £57,728 as compared with the corresponding figures in 1913, amounted to £1,655,713, and after adjustment of reserves for unexpired risks the surplus from trading amounted to £168,825, and the interest earnings on the fire fund to £29,836. It

will be seen that the trading profit exceeds 10 per cent. of the premium, which is an excellent result for a year that was not generally favourable to fire companies. The marine account shows a premium income, increased by £16,886, amounting to £235,256, and a surplus of £33,366, of which £25,993 represented trading profit and £7,373 interest earnings.

The greatest departmental increase in premium income is shown in the accident and general section. The relative premium income amounted in 1914 to £908,075, being more by £224,677 than that of 1913. The departmental trading profit was £85,411, apart from interest earnings of £16,048.

Interest credited to the profit and loss account amounted to £60,536, but from this has to be deducted £31,435, representing income tax on profits.

The total profits taken into account appear, therefore, to have been as follows:—

	Trading Profit	Net Interest Earnings
Fire account	£168,825	£29,836
Marine account	25,993	7,373
Accident and general account	85,411	16,048
Profit and loss account	—	29,101
	£280,229	£82,358
Total profit	£362,587	

This has been applied (1) in dividends, £141,384, being 29s. per share, less income tax, on 105,650 shares of £25, with £2 10s. paid on each, the subscribed capital being £2,641,250, and the paid-up capital being £264,125; (2) in adding £100,000 to the fire fund; (3) in writing investments down by £110,000, after which the aggregate market value of securities based on the latest quotations in London and New York in February 1915, is certified to be in excess of the amounts appearing in the balance sheet; (4) in adding £10,000 to the staff pension fund; and (5) in increasing the balance carried forward in profit and loss account by £1,203.

Thereafter, apart from paid-up capital and staff pension fund of £98,177, the reserves stood as follows:—

Reserve fund	£1,000,000
Fire fund	882,500
Marine fund	194,500
Accident fund	463,500
Balance of profit and loss account	847,666
	£3,368,166

This represents about 120 per cent. of the total premium income of the Company in all departments. As 40 per cent. of the premiums is usually considered, as in this Company, a sufficient reserve for the running off of risks which were unexpired at the close of the financial year, it will be seen how strong the financial position is, the total reserves being treble the amount indicated by that standard.

The assets as shown in the balance sheet on December 31, 1914, amounted to £4,923,122.

### BRITISH PORTLAND CEMENT MANUFACTURERS.

THE annual meeting of this Company last year took place just as the European crisis was becoming acute, and, although only twelve months ago, the events appear like a piece of ancient history and the speeches strangely out of touch with affairs of to-day. Lord St. Davids pointed out to the shareholders last July that the continual political scares and unsettlement in foreign affairs were nearly as bad for commerce as actual war itself, and he echoed the wish of the Chairman of the Company that, even if the worst happened, it was to be hoped that this country would contrive to keep out of it. The present report, covering the year to April 30 last, naturally embraces a period of nine months covered by the war, and the Company has thus had a practical experience of the effects of actual warfare, and on the whole it may be said that it has

emerged therefrom in a not unsatisfactory manner. During the first three months of the year there was witnessed a normal demand for Portland cement, and a reduction in manufacturing costs resulting from the improvements effected at the various works. With the outbreak of the War the business was immediately affected adversely in every department, and, as the report points out, "a serious shortage developed in the supply of labour and materials, which so hampered the manufacture of cement that the production was not equal to the demand, notwithstanding a considerable decrease in orders received from all markets, while the greatly enhanced cost of manufacture, particularly in respect of fuel, was but partly met by the advance realised in the selling price." Taking all these factors into consideration, therefore, a reduction of about £45,000 in the profits is far from surprising, and the management and the shareholders are to be congratulated that the shrinkage has not proved more serious. The Company was formed for the purpose of acquiring a number of businesses engaged in the manufacture of Portland cement, lime, whiting, &c., in the United Kingdom, and shares and Debenture interests in other similar businesses. The total number of companies taken over is 22, but including others in which the Company holds a substantial interest the number is 33. The purchase money for the various businesses acquired was £2,080,904, and was paid as to £322,516 in Debenture stock, £588,710 in Preference shares, £486,079 in Ordinary shares, and £683,599 in cash. The capital in issue at the present time consists of £1,256,422 of 5% First Mortgage Debenture Stock, £1,180,000 in 6% Cumulative Preference shares of £10 each, and £1,382,622 in £1 Ordinary shares. A large proportion of the Ordinary shares is held by the Associated Portland Cement Manufacturers, which is in close alliance with the Company. In addition, the Associated Company has also taken an interest in the Debenture stock and the Preference shares of the British Company. The manufacturing capacity of the businesses comprised in the British Company and the 11 companies in which a substantial interest is held is upwards of 1,500,000 tons of Portland cement per annum. As the works acquired are situated in various parts of the United Kingdom the Company possesses considerable geographical advantages in the distribution of its product. In accordance with the policy of the board of producing Portland cement of the highest quality at the least cost, steps have been taken to introduce improved plant at a number of the works which have not already been completely modernised. The accountants' figures with regard to the profits earned by the companies working separately covered three periods of twelve months. The periods were consecutive in each case, but it was not possible to give combined results to the same given date owing to the fiscal years ending on various dates, but after charging interest on Debentures and mortgages, but before allowing for depreciation, &c., the profits showed an advance from £123,297 for the first period to £189,358 for the third period, as may be seen from the following statement:—

For 1st period of 12 months aggregate profit	£	123,297
" 2nd " " " " "	£	133,291
" 3rd " " " " " "	£	189,358

The first accounts presented covered the short period from the varying dates on which the businesses were acquired to April 30, 1912. For this broken period a profit of £62,627 was reported, of which £13,692 was the proportion applicable to the period prior to incorporation, and therefore indivisible as profits. The sum was carried to reserve. After providing for Debenture interest and Preference dividend there was a balance of £4,510, which was carried forward.

The results for the twelve months to April 1913 were, therefore, the first to cover a full twelvemonths'

trading. During this year the work of consolidating the business was carried through, and a certain amount of reorganisation took place. An adverse factor was the transport strike, and the Company suffered from high prices of fuel and other materials, resulting in an increased cost of production, partly offset by improved prices for the manufactured product. A trading profit of £306,093 was secured, and after providing for Debenture interest, depreciation, and Preference dividend, it was possible to pay 7 per cent. on the Ordinary capital and carry forward £32,568. For the twelve months to April 1914 the trading profit rose to £330,428, an increase of £24,335. After providing for similar allocations to those for the previous year, it was possible to maintain the dividend on the Ordinary shares at 7 per cent., and increase the carry-forward by the sum of £31,754, bringing it up to £64,322. For the year to April 30, 1915, the trading profit, &c., has dropped to £285,114, the net profit amounting to £202,179 as compared with £263,853. After payment of the Preference dividend there is a balance of £75,576. The Ordinary dividend has dropped to 5 per cent., which calls for the sum of £69,131. The balance of £6,445 is added to the carry-forward, bringing it up to £70,767.

The manner of distributing the profits for the past three years may be seen from the following statement:—

	Year ended April 30—1915	1914	1913
Profit on trading account, Income from Investments and Transfer Fees ... ..	£ 285,114	£ 330,428	£ 306,093
Less:			
Directors' Fees ... ..	8,250	9,828	9,952
Debenture Stock interest ... ..	62,285	49,647	39,817
Interest on purchase moneys ... ..	—	—	5,423
Reserve for bad and doubtful debts ... ..	—	—	8,720
Sack Reserve, &c. ... ..	—	7,100	2,712
Income tax ... ..	12,000	—	—
Net Profit ... ..	202,179	263,853	239,469
Less Sundry Allocations:			
Debenture Stock Redemption Account ... ..	13,462	10,499	3,055
General Depreciation Reserve Account ... ..	40,000	40,000	40,000
Barge Depreciation Account ... ..	2,000	2,000	1,000
Depreciation of Office Furniture ... ..	341	389	315
Debenture Stock Issue Expenses Account ... ..	—	465	2,350
Preliminary Expenses Account ... ..	—	11,756	6,000
Preference dividend ... ..	146,376	198,745	186,74
	70,800	70,324	69,632
Ordinary dividend, 7% ... ..	75,576	128,421	117,117
	69,131	96,667	89,059
	(5%)	(7%)	(7%)
Balance ... ..	6,445	31,754	28,058
Brought forward ... ..	64,322	32,568	4,510
Carried forward ... ..	70,767	64,322	32,568

The position built up by the Company as at April 30 last may be seen from the following analysis of the liabilities and assets at that date:—

LIABILITIES.	ASSETS.
Share Capital ... .. £ 2,562,622	Lands, Property, &c. ... £ 2,335,087
Debenture Stock ... .. 1,245,938	Investments and Loans ... 1,438,037
Sundry Creditors ... .. 194,609	Stocks ... .. 173,734
Reserves ... .. 191,644	Sundry Debtors ... .. 274,033
Profit and Loss Account ... 175,298	Debenture discount ... 58,750
	Cash ... .. 90,470
	4,370,111

It will thus be seen that the total assets are valued at £4,370,111, of which the lands, property, &c., form the biggest item, accounting for £2,335,087, while investments and loans absorb a further £1,438,037. At April 30 last the Company had cash in hand to the extent of £90,470. Since its formation the Company has expended considerable sums in improving existing plants and erecting new works in favourable localities. Amongst others, works have been erected in the north of Ireland, and a substantial interest secured in a Company formed to construct cement works in South Africa. It is obvious that the prosperity of the Company is wrapped up with the state of trade generally at home and abroad, and it is engaged in an industry which, in so far as can be seen, undoubtedly has a great future. It is scarcely necessary to labour the point that the advantages of concrete for all kinds of con-

structional work become more apparent every day, and the use of cement, therefore, in many directions is an ever increasing one. And though during the continuance of the War building operations will be largely suspended, there can be no doubt that the period of reconstruction and reorganisation that will ensue when the War becomes a thing of the past will call for the use of cement in ever increasing quantities, and a concern like the British Portland Cement Manufacturers, which is setting itself to produce at the lowest possible cost of production, and which has command of capital for the purpose of introducing the most modern methods of manufacture, should be able to secure a satisfactory share of the total business offered. Naturally the prices of the various securities are considerably lower than they were twelve months ago, in common with most other securities. The 5% First Mortgage Debentures now stand at about 90 as compared with 95, and the yield afforded has, consequently, increased to about £5 11s. per cent. The Debenture interest last year was covered more than four times over, and it is well covered both from capital and interest point of view. It may, therefore, be regarded as a satisfactory industrial venture, giving a relatively high yield. The £10 Preference share may be obtained at about 8½, and is entitled to a 6% dividend, the yield afforded is about £7 11s. per cent. The £1 Ordinary share may be obtained at about 15s., and, on the basis of the 5 per cent. paid for last year, the yield afforded is about 7½ per cent. While for the time being it is possible that the various adverse factors may cause a further diminution in profits, and, consequently, call for a further reduction in the dividend, taking a wider view it may fairly be anticipated that the business and profits will continue to expand, and the shareholders may, therefore, look forward with some confidence to a much higher rate ultimately.

Amount	Description	Par	Price	Dividend	Approx. Yield
£		£	£	%	£ s. d.
1,256,422	1% 1st Mt. Dets. ...	100	90	5	5 11 0
1,180,000	6% Cum. Pref. Shares ...	10	8½	6	7 11 0
1,382,622	Ordinary Shares ...	1	15½	5	7 2 10

## GENERAL ELECTRIC COMPANY, LTD.

THIS Company ranks among those that are made specially busy by the War and its requirements. The Company's business is that of general electrical contractors and manufacturers. It has engineering works; it produces complete electrical plants for power, light, traction, and power transmission, including the largest turbo-generators built in this country as well as the smallest motors for domestic purposes. In addition to all kinds of switchboards, &c., there are shops for the production of arc-lamps, and at one of the works there are manufactured carbons for arc-lamps, projectors, and batteries—this being the only carbon works in this country. A further branch is the manufacture of complete telephone-station equipment and all classes of telephonic apparatus. Business is not confined to this country, but a large trade is done all over the world. The business is a steadily growing one, and extensions steadily occur, but the outbreak of war naturally interfered with the latest plans for expansion on ordinary lines. The volume of business, however, has not been interfered with, as the great increase in orders from Government departments and Government contractors has fully compensated for the decrease in general business. There is one adverse factor, however, which has to be faced. Although the great majority of the products turned out are essentially for war purposes the outlook for the coming year is regarded as being of some uncertainty, owing to the unsettled state of the labour and raw-material markets. In so far as the Company itself is concerned, nearly 1,000 of its staff have joined the forces. Although ordinary plans for extension have been interfered with, the works at Witton, near Birmingham, are being enlarged for the purpose of giving more assistance in the supply of munitions and other war

materials. The net result of the trading for the twelve months to March 31, 1915, is a profit of £164,878, as compared with £157,894 for the previous year. In spite of the fact that the Preference dividend has called for £38,681, as against £24,000, the Company is able to maintain the Ordinary dividend at 10 per cent., while a sum of £20,000 is carried to reserve.

The distribution of the profits for each of the past six years may be seen from the following:—

Year ended March 31—	1915	1914	1913	1912	1911	1910
	£	£	£	£	£	£
Trading profits, &c.	164,878	157,894	145,260	123,564	119,146	95,462
Less Depreciation ...	18,865	24,328	24,543	24,400	24,331	19,058
Debenture interest, 4 %	8,000	8,000	8,000	8,000	8,000	8,000
Net profit ...	138,023	125,566	112,717	101,164	86,815	68,404
Preference dividend...	38,681	24,000	19,878	12,600	12,500	12,500
Ordinary dividend ...	48,142	40,000	40,000	29,960	19,973	19,395
	(10 %)	(10 %)	(10 %)	(7½ %)	(5 %)	(5 %)
Managing directors' & employees' bonus, &c.	31,238	27,157	22,559	8,866	7,432	5,590
To reserve fund ...	20,000	30,000	30,000	30,000	43,616	22,000
Balance ...	—38	4,409	280	19,833	3,294	8,919
Brought forward ...	36,740	32,331	32,051	12,213	8,919	—
Carried forward ...	36,702	36,740	32,331	32,051	12,213	8,919

The authorised share capital of the Company is £1,400,000, and of this £1,200,000 has been issued in addition to £200,000 of 4% Debenture stock. At March 31 last the reserve fund proper amounted to £200,000, but it has since been increased to £220,000, while there was also a sum of £12,000 set aside as provision for removal expenses. The total assets are valued at £1,996,489, of which the goodwill and patents stand at the nominal figure of £1.

The following is a synopsis of the balance sheet at March 31, 1915:—

LIABILITIES.		ASSETS.	
	£		£
Debenture stock ...	200,000	Land and buildings ...	236,383
Share capital ...	1,200,000	Machinery, &c. ...	84,318
Sundry creditors ...	269,711	Goodwill and patents...	1
Reserve fund, &c. ...	212,000	Sundry debtors ...	544,831
Profit and loss account ...	114,778	Stocks and work in progress	440,911
	1,996,489	Investments ...	518,326
		Cash ...	171,721
			1,996,489

The Chairman has stated that it was not until the end of October last that the directors realised what great quantities of the normal production were required for war purposes, and it is interesting to note that contracts direct from Government departments, and indirectly from Government contractors, amounted to fully half a million sterling, and the Chairman recapitulated the products included in this item, which are: Searchlight carbons; signalling and wireless apparatus; incandescent lamps, both carbon and metal filament; power, lighting, and ventilating plant for His Majesty's dockyards and battleships; motors, dynamos, and every kind of electrical equipment for the Army Service Corps, hospitals and munition works, &c.; field-telephones and batteries, targets, exploders, and shells for both services; and he pointed out that the list contains a number of items "which only this Company can produce—items which are of the most momentous importance both to the Admiralty and to the War Office, manufactured at some of our works which have been the least remunerative in the past, owing to foreign competition." It will be realised that during the continuance of the War the Company will be kept exceptionally busy, and in all probability the endeavours now being made to supply munition workers will enable the labour problem to be largely solved. It is probable, therefore, that profits will be steadily maintained, though inasmuch as the public has no interest in the Ordinary shares, fluctuations in profits are more or less of academic interest, provided the Debenture interest and Preference dividend are secure. On the Debenture stock a yield of 4½ per cent. may be obtained, while the Preference shares give a return of about £6 3s. 1d. per cent. This may be seen from the following:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
200,000	4 % 1st Mort. Debenture st. ck	100	90	4	4 9 11
700,000	6 % Cumulative Preference ...	10	9½	6	6 3 1
500,000	Ordinary...	10	—	10	—

## BUKIT SEMBAWANG RUBBER COMPANY.

THIS Company is one of the younger concerns, the prospectus only being brought out in December 1910. It was formed with a capital of £335,000 to acquire two rubber estates situated in the Sembawang district, Singapore, Straits Settlements, the approximate total area being given as 8,196 acres. According to Government survey, however, the total area works out at 8,493 acres. At the end of 1910 some 5,866 acres had been planted, but only 32 acres contained trees of over five years of age. The purchase price was fixed at £224,000, payable as to £8,000 in cash, and the balance of £216,000 in fully-paid shares, while option certificates were issued to the vendors for 200,000 unissued shares of 2s. exercisable at any time within four years from the date of incorporation of the Company. These have been extended to December 8, 1915, and at the end of last year the total issued capital amounted to £314,955 in 2s. shares. The position of the Company as at December 31 last may be seen from the following:—

LIABILITIES.		ASSETS.	
	£		£
Issued capital	314,955	Cost of estates	320,571
Sundry creditors	18,347	Buildings and machinery	16,196
Profit and loss	19,592	Rubber in transit	12,216
		Sundry debtors	1,121
		Cash	2,689
	352,692		352,692

The planted area has not been surveyed, but is believed to be slightly under 8,000 acres, of which about 1,000 acres were in bearing at the close of last year. The output of rubber during 1914 was 307,244 lb., as compared with 163,942 lb. for 1913. Of the rubber produced 258,485 lb. were sold at an average gross price of 2s. 1.54d., as compared with 2s. 9.66d. per lb. for 1913, while the average net price secured was 1s. 11.89d., as compared with 2s. 7.066d. The main feature of the accounts is the most satisfactory reduction that has taken place in the cost of production f.o.b. Singapore, which has been more than halved, the cost for 1914 being 10.15d. per lb., as compared with 1s. 9.99d. per lb. for 1913. Adding other items and deducting proceeds of catch crops and sundry receipts in Singapore, the net cost amounts to 1s. 0.01d. per lb., as compared with 1s. 10.49d. for 1913, the 1914 figures including cost of insurance against war risk, amounting to 0.27d. per lb. To show how the total costs are made up we give the following:—

### Cost of Production.

	1914	1913
	Per Lb.	Per Lb.
	s. d.	s. d.
Cost of production f.o.b. Singapore	0 10.15	1 9.99
Depreciation of buildings and machinery	0 11.75	0 2.92
London office expenditure	0 0.36	0 0.50
Manager's commission	0 0.24	0 0.17
Royalty	0 0.21	0 0.52
Loss on exchange, &c.	0 0.20	0 0.53
Total cost	1 0.91	2 2.63
Insurance against war risk	0 0.27	—
	1 1.18	2 2.63
Proceeds of catch crops and sundry receipts in Singapore	0 1.17	0 4.14
	1 0.01	1 10.49

The net result is that the sales of rubber have brought in £23,591, as compared with £18,137, and after adding other receipts and deducting expenses there is a balance of £14,344, as compared with £6,090 twelve months ago. After writing off the balance of preliminary expenses, &c., there is a surplus of £9,344, which enables a dividend of 3 per cent. to be paid, while the sum carried forward is £9,945, as compared with £10,049 brought in. The following shows the results secured by the Company:—

	Year ended Dec. 31—1914	1913	1912	1911
Cultivated area (a.c.)	8,000	8,000	8,000	8,000
Crop (lb.)	307,244	163,942	8,113	2,400
Average price (per lb.)	2 1.54	2 9.66	4 4	4 11
Costs	1 0.01	1 10.49	—	—
Profit	1 1.53	0 11.17	4 4	4 11
Sales of rubber	23,591	18,137	13,235	8,216
Sundry receipts	8,262	6,544	8,086	1,308
Expenses	31,853	24,681	21,321	9,524
Written off preliminary expenses	17,509	18,591	11,914	7,615
	14,344	6,090	9,407	2,009
	5,000	2,480	4,977	—
Dividend	9,344	3,610	4,430	2,009
	9,448	—	—	—
Brought forward	—104	3,610	4,430	2,009
	10,049	6,439	2,009	—
Carried forward	9,945	10,049	6,438	2,009

Satisfactory as is the situation with regard to costs, and low as is the figure to which they have been brought down, it is, nevertheless, anticipated that the cost of production f.o.b. Singapore, for the current year, assuming the estimated output to be obtained, will not exceed 8d. per lb. It is thus likely that the "all-in" costs will be brought down to 10d. per lb., and as the Company may secure a higher average price for its sales, there is every probability of the current year's figures proving very satisfactory. On the estimated output of 775,000 lb. a net profit of 1s. per lb. would give a total net profit of £38,750, which is equivalent to a distribution of 12 per cent. on the issued capital. It seems possible at least that the net profit per lb., however, will be in excess of 1s., and may reach 1s. 3d. Should this be secured the total profit would be £48,400, which would permit of a dividend of 15 per cent. The present price of the 2s. share is 2s. 6d., so that in view of the potentialities the shares appear to offer a distinctly attractive rubber venture.

## New Issues.

### INDIA 4 PER CENT. RUPEE LOAN.

THE Government of India are inviting applications at par for a 4% Terminable Loan for 450 lacs of rupees. The loan will be repaid at par on November 30, 1923, but the right is reserved to redeem it on or after November 30, 1920, on three months' notice, to be given in the *Gazette of India*. The loan will be in the form of promissory notes. Applications in hundreds of rupees, accompanied by a deposit of not less than 5 per cent., will be received from August 2 to 3 p.m. on August 17 by the Controller of Currency at Calcutta, the Accountant-General or other chief officer of accounts in each province, and by the Bank of Bengal, Bank of Bombay, and Bank of Madras, at their head offices and branches. An applicant not in India must name an agent resident in India to whom an allotment certificate may be issued. When an allotment is less than Rs. 3,000, the amount must be paid in full on September 8. In other cases the instalments will be payable up to October 30. From August 2 to October 30 applications for the loan will also be received, irrespective of the limit of 450 lacs, at all post-offices in India authorised to transact Savings Bank business. The amount so applied for by any one applicant must not exceed Rs. 5,000.

### COURT LINE, LIMITED.

The directors have offered to shareholders 100,000 of the unissued £1 shares of the Company at a price of 21s. per share, while an option to subscribe for a further share at the price of 25s. up to February 28, 1916, will be given with each share allotted. The dividends paid by the Company have steadily risen from 6 per cent. for each year from 1905 to 1910 to 10 per cent. for 1914, while an interim distribution at the rate of 12 per cent. has been paid for 1914, and it is added that the profits earned by the Company continue to be very satisfactory. The issue has been underwritten for a fee of 1s. per share, but in view of the attractive nature of the offer the shareholders have doubtless availed themselves of the opportunity.

## Scottish Provident Institution.

(ESTABLISHED 1837.)

**Funds amount to £16,000,000.**

## ANNUITIES.

Revised and favourable Rates  
may be had on Application.

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# COUNTY

## FIRE OFFICE, LIMITED.

50 REGENT ST., W., Fire,

and

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**LONDON.**

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OFFICE IS CONFINED TO  
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Full Particulars on application  
to the Head Office, Branches,  
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JOSEPH A. ROONEY, Secretary.

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Manager: J. HERBERT E. LANE.

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CHAS. WINDETT.

# Commercial.

## THE COTTON PROBLEM.

THE following statement of the cotton problem made by Sir Charles W. Macara will interest our readers.

"It is well known that in September last I promoted a scheme for dealing with the cotton problem. Had the scheme been adopted it would have had a most important bearing not only upon the world's cotton industry, from the grower of the raw material to the distributor of cotton manufactures, but, by getting a certain control of the largest cotton crop ever grown, might have had a material effect upon the duration of the War. Cotton is an indispensable commodity in the clothing of the vast majority of the human race, and it is employed very largely in connection with munitions of war. The scheme was, unfortunately, not adopted, but the effect of the propaganda work, which was carried on entirely from the economic standpoint, was undoubtedly to minimise a disastrous

fall in prices and the subsequent heavy financial loss to all engaged in the industry. Notwithstanding this educational process, losses have been extremely severe; but they might have been much greater.

"Some time after the outbreak of the War, the price of American cotton fell from something over sevenpence to under fourpence per pound; and, of course, Egyptian, East Indian and other growths of cotton fell sympathetically.

"An average rise or fall in price of one halfpenny per pound on the cotton crop of the world represents a sum of no less than £20,000,000.

"The quantity of cotton used for war munitions is very considerable, and here I may say that I thoroughly deprecate the valueless controversy between scientific men as to whether cotton is used for explosive purposes or for purposes of propulsion. It matters little to which special use it is put so long as it is employed in the supply of the war munitions used to-day. If it were possible to substitute some other commodity for cotton the change could not be effected without a great loss of time.

"Before the outbreak of war the cotton industry of the world had gone on expanding to an extent only realised by those who had kept pace with the statistics available; indeed, the extension of the machinery employed in the manufacture of cotton had, until recently, outstripped both the supply of the raw material and the labour available for it.

"To make up for the deficiency in the supply of the raw material, a great amount of energetic work has been done both by England and the Continental countries in opening up new cotton fields in their colonies and dependencies; and the International Cotton Federation, which brought into friendly co-operation practically all the cotton-growing and manufacturing countries of the world, has not only assisted in that work, but also in that of developing our present sources of supply.

"It is a curious coincidence that concurrently with the outbreak of war the largest cotton crop ever produced had to be handled. With such an abundance of cotton it must be obvious to everyone that at the time when, under normal conditions, the largest purchases of cotton are made—from the beginning of the cotton season in August, to the end of the year—nothing but drastic action could prevent a disastrous fall in price.

"Having for many years given close study to the cotton industry in all its phases, and remembering that from one season to another the cotton crop of the world may vary as much as millions of bales, I promulgated a scheme at an international conference of the cotton spinners of the world with the cotton planters of the United States in October 1907. The scheme proposed that when unusually large crops were grown a reserve should be created as an insurance against periods when short crops were produced. In the first case the tendency would be, of course, for prices to fall unduly, and, in the second, for prices to rise unduly. Not only would prices be steadied, but to a certain extent regular employment for the millions of people engaged in the industry throughout the world would be ensured.

"The plethora of cotton at the outbreak of the war seemed to me to present the first opportunity of putting this scheme into operation, and had my proposition being carried out there is little doubt the losses which have been sustained would have been greatly reduced, for not only is the price of the raw material to be considered, but the prices also of the stocks of both yarn and cloth.

"It is an elementary truth that if anything happens to prejudice seriously the growers of the raw material of an international industry like cotton it must have a disastrous effect on its future. The cotton planter is a man who can turn his land to the production of other commodities, but the cotton spinner and manufacturer can only spin and weave.

"The proposition made to the statesmen of England and America—which countries practically control the cotton crop of the world—was that that portion of the crop should be purchased which under the circumstances would not be required for immediate consumption. This would have had the effect of preventing enormous losses to those directly engaged in this great industry, and would also have obviated to a large extent the reduction in the revenues of both countries.

"There are too many men of academic mind at the head of affairs in both countries who take a view of things entirely different from those who have to deal practically with carrying on the great industries of the world. A combination of both might be excellent, but the academic without the practical cannot be expected to save the situation in a grave crisis like the present.

"It is said that the acreage under cotton has been reduced from fifteen to twenty per cent. I cannot tell whether this estimate is correct or not. I am convinced, however, that there has been a much larger consumption for war munitions than anyone could have calculated upon at the beginning of the war. This exceptional consumption, and the educational programme in the direction of the establishment of a reserve of cotton, served to raise the price of cotton from about fourpence per pound to fivepence halfpenny—roughly, three-halfpence per pound.

"Unfortunately, large quantities of cotton have percolated through neutral countries to enemy countries. Statistics which show the actual consumption of cotton by spinners in all the cotton manufacturing countries of the world have been compiled for a number of years past, and if these statistics had been made use of it would have been possible to make a thorough investigation into what was being done by some neutral countries with their enormous extra importation of cotton.

"I quite admit that the problem is a difficult one, especially at a time of financial stringency, but surely some means could be devised for creating a reserve, to be used after the War, by the Governments of England and the United States, guaranteeing the people whose business it is to handle the cotton crop of the world. It must always be remembered that cotton does not deteriorate if properly packed and stored. With reference to the exports of cotton from the United States of America, it must be noted that the stocks at Liverpool are double the quantity held last year at this time, and that the stock at Genoa, which is now stopped from going to enemy countries, is many times larger than usual. These large extra stocks have to be taken into account along with the new crop which will begin to arrive shortly, even although it is estimated that the latter will be considerably smaller than the crop of the season which is just closed. This increase of stocks shows the effect of the more stringent measures which have been adopted during recent months.

"I think that it is now generally admitted that if my proposals had been adopted they might have been of infinite service to humanity—in which, I am sure, statesmen at all events are deeply concerned. I firmly hold that if they had been adopted the War might have been brought to an end either by Christmas or by March last; and even if grappled with now nothing is more certain than that the end will come all the more quickly."

### LANCASHIRE COTTON INDUSTRY.

ALL engaged in the staple industry of Lancashire continue to experience a discouraging state of affairs, and there are few signs at the moment of business being more profitable in the near future. It is specially hard for producers at a time like the moment, when the cost of production is steadily increasing, for such difficulty to be experienced in securing prices which are worth having. The operatives throughout the

spinning section have obtained a war bonus on wages of 5 per cent. as a result of the recent dispute being sent to the Committee on Production for arbitration. The award is retrospective, and comes into operation from the first settling day after June 17 last. The official statement emphasises that the higher rates of pay are due to the abnormal circumstances relating to the War, but nothing definite is said as to when the bonus will come to an end, or as to whether the Committee on Production will deal again with the situation when a change occurs. It is quite expected that owing to the operatives in the spinning section obtaining this concession that the workpeople engaged in the weaving branch of the industry will again press their claim for further consideration. As the rise in wages just decided upon has not been based on the remunerative state of trade, it seems very probable that the operative weavers will gain some concession. The cost of production is also being affected by higher charges for bleaching and dyeing.

In yarn circles the delay in obtaining licences for shipment to European countries is resulting in the accumulation of stocks at the ports, warehouses, and mills, and exporters and merchants are being greatly handicapped. This week the annual holidays have been held in many weaving towns, and the consumption of yarn has thereby been affected. Perhaps if anything producers of American descriptions for home consumption rather tend to lose ground, and buying at the moment is quite unimportant. The big stoppage at Oldham, however, at the end of August should bring some relief. The outlook for Egyptian spinners continues very poor, and a good deal of machinery is standing idle for want of work.

The absence of practicable demand in piece goods for our big Eastern outlets is still very marked. The inactivity on the part of shippers to India has been prolonged, but in the meantime stocks in the bazaars are being gradually reduced, and should the monsoon continue to make good progress there are hopes of more buying in a few weeks' time. China has recently given improved support in a variety of cloths, and although individual sales have not been very large, the freer buying has been very welcome. Some of the minor markets, both East and West, in a quiet way are providing a steady trade. An improvement has recently shown itself in Burnley, and more looms are running than at any time since the beginning of the year. There is still considerable slackness in Blackburn, where light fabrics are produced, and many sheds are closed down. The home trade houses appear to be deriving considerable benefit from the larger demand from Colonial markets, such as Australia and Canada.

The cotton season for 1914-15 is now at an end. This is the first time the season has been completed at the end of July. In the past the year has been from September 1 to August 31. It will be a few days before the official statistics are published relating to the American cotton crop.

### SPELTER.

THE Spelter market, which a short time ago was the centre of the greatest excitement, has subsided very much, so far as active dealings are concerned, since the Government obtained control of sufficient supplies in this country to help them along pretty comfortably for a few months. There are a good many people, particularly in America, who are now waiting for fresh British buying to develop on a large scale, and are pinning their faith upon the development of a fresh upward movement. It may be considered at least doubtful whether events will shape in this direction. Nevertheless, the position is not at all clear. It might have been generally thought that when the Government obtained control of a large proportion of the supplies already contracted for by the principal consumers in this country, that the

material so acquired would have been held as a kind of reserve against any future contingency, current needs being provided by further purchases. Such a policy would, no doubt, have been an expensive one, seeing that the reserve material would have to be taken up and paid for; but in a war in which hundreds of millions sterling are being poured out like water, the expense of an operation of this kind would have been a mere trifle, and, indeed, might have represented, by way of interest, not much more than the wastage in food for a few days at a small selected number of the camps for troops in training. The step, moreover, would have been a statesmanlike step. It appears, however, that this reserve is being eaten into from day to day, according to the exigencies of the situation; and the American-German metal group generally across the Atlantic are fully aware of the fact, and are even now considering the possibility of screwing up prices higher when the demands of the British Government assert themselves again, as the stocks over which they have control at the moment become dissipated to the point of exhaustion. The general consuming trade, both across the Atlantic and in the United Kingdom, has practically ceased to exist. Spelter at £105 a ton is a positive luxury, and buyers of galvanised sheets will put up with any sort of substitute rather than pay the price demanded, or, indeed, will go without altogether. The result is that certainly 70 per cent. of the American production is available for the manufacture of munitions, and there is a good deal less "finicking" now about the purposes to which good ordinary brands of spelter are applied than there was a few months ago, when all sorts of stipulations were enforced as to the analysis of metal used for cartridge brass. At the same time, production in America is being pushed to the utmost extent, and all accounts received from there indicate a continual pressure on the part of the spelter producers to turn out more and more metal. It remains to be seen now what turn events will take when British demands again have to be faced by interests in America having spelter to sell. It is regarded as significant that prices have been held up very well on this side during the recent weeks of inaction; but this may be due to nothing more than the fact that the Government is meeting the requirements of consumers engaged upon State work at a fixed price, which tends to keep the market steady in the absence of fresh supplies being offered from any other quarter. English producers seem to be quite well satisfied with the turn of events, and are doing business at about £95 a ton for deliveries during the last quarter of the year, compared with £105, at which business is passing for early deliveries. The talk in America about an "investigation" of the trade to ascertain whether or not there was an unlawful combination of producers, has died a natural death, but then nobody ever regarded it very seriously. A few perfunctory questions were asked, and there the matter was left. The United States has had about enough of investigating trusts, and has got much bigger game on hand, now that the matter of the rights of neutrals to travel on the high seas has been categorically denied by Germany.

### COAL AND STEEL.

In view of the probable statutory limitation of the price of coal, it may be of interest to compare the prices of to-day in Scotland with those of July, 1913, the proposed basis of calculating the war prices. The comparison is as follows:—

		July 28, 1913.	July 28, 1915.
Navigation	...	12 0 to 15 0	22 0 to 23 0
Hartley	...	14/3 „ 14/6	18/0 „ 18/6
Ell	...	12/0 „ 12/6	16/6 „ 17/6
Splint	...	13/0 „ 14/6	16/0 „ 19/0

It will be observed that in the case of each leading class of coal the proposed increase limit of 4s. has

been reached, and in the case of navigation coal greatly over-reached. The price of the last-named class is explained by the enormous Admiralty demand, which has a tendency to increase.

The market at present has a good tone in all departments, business being encouraged by the willingness of sellers to book fairly well ahead at current rates. It is not regarded as probable that prices for the home trade will move beyond the figures quoted in the table, and, therefore, stocks are being distributed more freely. On the whole the export trade may be regarded as brisk, though better business is looked for shortly.

Instead of a relaxation of the pressure on the steel and iron industries, it has increased considerably during the past week or two. Steel makers are unable to meet the demand for high tensile bars and light sheets, while the orders for malleable bar iron are very plentiful. As much as 10 guineas net per ton are asked and readily received for crown bars for export. The home price is £11. Angles and ship plates are quoted at £10 to £10 5s., though two or three shillings more are being paid for specifications which do not suit the maker's book.

A timely stimulus to loyalty and patriotism is being given by Messrs. Raphael Tuck and Sons, Limited, by the issue of six new photogravures of the Royal Family. The portraits depict their Majesties the King and Queen, the Prince of Wales, Prince Albert and Princess Mary, and at the present time form a collection of historic value. They are well produced, and at the popular price of one shilling each they are undoubtedly excellent value.



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# READJUSTMENT OF CAPITAL AND DEBT OF The Missouri Pacific Railway Company AND St. Louis, Iron Mountain & Southern Railway Company

NOTICE IS HEREBY GIVEN that a PLAN of READJUSTMENT of the CAPITAL and DEBT of the above-named Companies, dated 1st July, 1915, has been approved by the Boards of Directors of said Companies, by the three Committees named below, representing respectively Five per Cent. First and Refunding Mortgage Bonds, Four per Cent. Gold Loan Bonds and Stock of The Missouri Pacific Railway Company, and by the undersigned Readjustment Managers, and that a duly executed original of the Plan and Agreement of Readjustment has been lodged with each of the Depositaries named below. Holders of any of the following securities may become parties to the Plan and Agreement of Readjustment by depositing their securities on or before 16th August, 1915, with the proper Depositary or any Sub-Depositary.

## DEPOSITARIES

For Capital Stock of The Missouri Pacific Railway Company.  
CENTRAL TRUST COMPANY OF NEW YORK, 54 Wall Street, New York City.

For The Missouri Pacific Railway Company's Forty-Year Four per Cent. Gold Loan Bonds, due 1st March, 1945.  
BANKERS TRUST COMPANY, 16 Wall Street, New York City.

### For the Missouri Pacific Railway Company's

Five per Cent. First and Refunding Mortgage Fifty-Year Gold Bonds, due 1st September, 1959.  
Consolidated First Mortgage Six per Cent. Bonds, due 1st November, 1920.  
Trust Five per Cent. Bonds, due 1st January, 1917.  
First Collateral Mortgage Five per Cent. Bonds, due 1st August, 1920, and  
Lexington Division Five per Cent. First Mortgage Bonds, due 1st August, 1920.

St. Louis, Iron Mountain and Southern Railway Company's First and Refunding Mortgage Six per Cent. Forty-Year Gold Bonds, due 1st July, 1952.

The Kansas and Colorado Pacific Railway Company's First Refunding Mortgage Thirty-Year Six per Cent. Gold Bonds, due 1st February, 1938.

The Central Branch Railway Company's First Mortgage Four per Cent. Gold Bonds, due 1st February, 1919.

The Central Branch Union Pacific Railway Company's First Mortgage Four per Cent. Gold Bonds, due 1st June, 1948.

The Leroy and Caney Valley Air Line Railroad Company's Five per Cent. First Mortgage Bond, due 1st July, 1926.

The Kansas City North-Western Railroad Company's First Mortgage Five per Cent. Gold Bonds, Series A, due 1st January, 1913.

Boonville, St. Louis and Southern Railway Company's First Mortgage Forty-Year Five per Cent. Gold Bonds, due 1st August, 1951.

Little Rock Junction Railway's First Consolidated Mortgage Six per Cent. Bonds, due 1st April, 1916.

GUARANTY TRUST COMPANY OF NEW YORK, 140 Broadway, New York City.

## SUB-DEPOSITARIES FOR ALL SECURITIES.

St. Louis: MERCANTILE TRUST COMPANY.

London: GUARANTY TRUST COMPANY OF NEW YORK.

Stock Certificates must be duly endorsed in blank for transfer or be accompanied by blank transfers and must be stamped at the rate of two cents per share under the New York stock transfer tax law and also two cents per share under the Federal Emergency Revenue Act. Coupon Bonds must be accompanied by all unpaid coupons. Bonds registered as to principal must be restored to bearer form before deposit and registered bonds must be exchanged for coupon bonds or registered in the name of the proper Depositary.

Deposits of securities will not be received after 16th August, 1915, except upon terms approved by the Readjustment Managers.

Copies of the Plan and Agreement of Readjustment may be obtained from the Company at its offices in New York and St. Louis, or from any of the Depositaries or Sub-Depositaries or from the Secretary of any of the three Committees named below.

Dated New York, 6th July, 1915.

**KUHN, LOEB and CO.,**  
*Readjustment Managers.*

The Plan of Readjustment mentioned in the foregoing notice has been approved by the Boards of Directors of The Missouri Pacific Railway Company and St. Louis, Iron Mountain and Southern Railway Company, who join in recommending the deposit of securities under the Plan and Agreement in compliance with the foregoing notice.

THE MISSOURI PACIFIC RAILWAY COMPANY,

By B. F. BUSH, *President.*

ST. LOUIS, IRON MOUNTAIN AND SOUTHERN RAILWAY COMPANY,

By B. F. BUSH, *President.*

The undersigned Committees have approved and adopted the Plan and Agreement of Readjustment mentioned in the foregoing notice and recommend to holders of the securities which they respectively represent the prompt deposit of their securities.

LEWIS B. FRANKLIN, <i>Secretary,</i> 140 Broadway, New York City.	ALEXANDER J. HEMPHILL ( <i>Chairman</i> )	Committee representing Five per Cent. First and Refunding Mortgage Bonds.
	ROBERT FLEMING (London)	
	DONALD G. GEDDES	
	JEROME J. HANAUER	
	ALVIN W. KRECH	
B. W. JONES, <i>Secretary,</i> 16 Wall Street, New York City.	C. E. terMEULEN (Amsterdam)	Committee representing Forty Year Four per Cent. Gold Loan Bonds.
	FRANK N. B. CLOSE ( <i>Chairman</i> )	
	OTTO H. KAHN	
	JOHN H. McCLEMENT	
	JOHN W. PLATTEN	
C. E. SIGLER, <i>Secretary,</i> 54 Wall Street, New York City.	J. G. SIEGERS (Amsterdam)	Committee representing Missouri Pacific Railway Company Stock.
	W. H. WILLIAMS	
	JAMES N. WALLACE ( <i>Chairman</i> )	
	J. HORACE HARDING	
	FREDERICK STRAUSS	
	ALBERT H. WIGGIN	
	ROBERT WINSOR	

Referring to the above advertisement, Guaranty Trust Company of New York, London Office (33 Lombard Street, E.C.), as Sub-Depositary in London under said Plan and Agreement, is prepared to receive deposits of the above-mentioned securities, accompanied in the case of such deposits of stock by the payment of 2d. per share, being the equivalent of the taxes above mentioned under the New York stock transfer tax law and Federal Emergency Revenue Act, and will issue certificates of deposit for all securities so deposited. If any securities, benefits, or advantages shall be delivered in England to the holder of any such certificates, such holder must pay all stamp taxes and other taxes, duties and governmental charges which are or may be required by law in England in respect of such securities, benefits, or advantages.

33 Lombard Street, London, England.

GUARANTY TRUST COMPANY OF NEW YORK.

# MEETINGS

## OF PUBLIC COMPANIES.

### THE UNION BANK OF AUSTRALIA, LIMITED.

THE annual general meeting was held on July 26 at the head office, 71 Cornhill, E.C., Mr. Henry P. Sturgis (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, first referred with regret to the death of two of the directors, Mr. Charles Parbury and Mr. Charles Bright. Proceeding, he said that in the half-year under review, to February 27, the War had had a disturbing effect on business generally throughout the Commonwealth and Dominion. It had been an important factor in the large decrease in exports, as, for example, in the disorganisation of the metal business, the difficulty at one time of obtaining freight room, the holding back of wool, and in other ways; though, of course, exports had been largely affected by other reasons, such as the failure of the wheat crop and the decreased total value of the wool clip. This decrease in exports, however, only referred to Australia, for in New Zealand the exports were considerably in excess of the imports; indeed, it was stated that for the year ended March 31 last the surplus was about £7,000,000, as compared with rather over £1,000,000 in the previous year. The War had also affected the general trade of the Commonwealth, which, though sound on the whole, had been dull in most directions. But whatever effect the War had had, the immediately important factor during the half-year was the severe drought, from which practically all the States in the Commonwealth suffered, many localities experiencing the worst drought, for the time being, of which there were records. New Zealand also had an unusually dry season in certain districts. The wheat harvest in the Commonwealth was a failure and importation of wheat had become necessary. There had also been heavy losses in stock, and lambing in many parts had been poor. Some estimates put the loss of sheep at 10,000,000 since December 1914. It was not possible to state with any accuracy the result of the wool clip. The export was stated to be 391,000 bales less than in the previous year, owing to some extent to freight difficulties, but there was no doubt that some portion of the above amount was still in store in various parts; it was probable that the actual shortage might be from 200,000 to 250,000 bales, and a further serious diminution must be looked for next year. The dairying industry, too, which showed very satisfactory expansion, had also temporarily suffered from the want of rain. That was rather the dark side of the picture. On the other side, it was satisfactory to be able to state that the prices obtained for the wool had been good and went some way to compensate for the reduced quantity. But the most encouraging feature had been the fine rains which had recently fallen throughout all the States, except parts of Queensland, where rain was still wanted. The rains, unfortunately, came too late to materially help the pastoralists, but they entirely altered the prospects for the agriculturists, and it might fairly be said that these latter started the season under most favourable conditions. Dealing with the accounts, he pointed out that, after the deduction of £1,000,000 set aside in investments for the reserve fund, the liquid assets amounted to 8s. 6d. in the £ of the Bank's total liabilities to the public. As regarded investments, he had again to announce a considerable reduction in values. At the end of the half-year there was a comparatively small depreciation on the values at which they stood in the books, and this was provided for from funds already set aside for the purpose. On a valuation taken recently further depreciation was disclosed, but this had also been fully provided for. The minimum prices, however, on which they had chiefly to base their calculations, were very nominal, and he was afraid that they would be called upon in the future to provide further sums to meet this unfortunate shrinkage in values. After providing for all bad and doubtful debts, and making full provision for depreciation of securities, they were able to declare a dividend equal, with the bonus, to 14 per cent. per annum. Of the London staff, 35 had joined His Majesty's Forces, and others were going shortly; while up to the present in Australasia 160 members of the staff had volunteered for Expeditionary Forces and had been enlisted, of whom four, unfortunately, had been killed and fourteen wounded.

Mr. Arthur P. Blake seconded the motion, which was unanimously adopted.

### CLERGY MUTUAL ASSURANCE SOCIETY.

Funds, £4,823,000.

THE annual general meeting of members was held at the office of the Society, The Sanctuary, Westminster, on July 20, under the presidency of Sir Paget Bowman, Bart., the Chairman of the Board of Directors.

The Actuary and Manager (Mr. Frank B. Wyatt, F.I.A.) read the notice convening the meeting, the minutes of the previous annual meeting were confirmed, and the report of the directors was taken as read.

The Chairman:—Gentlemen,—When I had the pleasure of addressing you this time last year we little thought that just one fortnight afterwards the country would be involved in the greatest and most terrible war in history.

#### The New Business.

In view of the great upheaval which has taken place and of the way in which all business and financial matters have been affected, you would naturally be prepared to hear of a check to our usual rate of progress and prosperity. It is, therefore, satisfactory to be able to call attention to the fact that, notwithstanding the stress of the War, our new business in respect of life assurance policies is only slightly below the amount recorded last year. Part of our usual business has been lost because we have not undertaken the grant of assurances on the lives of persons engaged in warfare or likely to join His Majesty's Forces. I may mention here that, following the practice of other life offices we have not charged extra premiums to our civilian members who assured with us some years ago, and who, therefore, do not hold free policies covering all risks, and who have volunteered to serve in the War. This generous action on the part of the life offices has been publicly acknowledged by the War Office.

#### Death Claims and the War.

With regard to the mortality of the year, you will observe that, notwithstanding claims amounting to about £27,000 in respect of 22 members who were killed in action, our experience has been favourable, though naturally not so favourable as in past years. Excluding the losses due to the War, the death claims were about £74,000 less than the amount expected by the mortality table on which our reserves are based, and the difference would have been even larger had it not been for a death-rate rather heavier than usual among our very old members. We must, of course, expect further losses from the War in the ensuing year, but it is reasonable to hope that we shall not suffer nearly so heavily as other life offices, as only a portion of our members are laymen and a large proportion of these are of advanced age.

#### The Funds and Interest Yield.

Our funds amounted at the end of the year to £4,823,000, and the average rate of interest, subject to deduction of income tax on our invested assets at the close of the year, was £4 3s. 3d. per cent., which is almost identical with that reported last year. The expenses of management, which include nearly the whole of the cost of our Act of Parliament, were at the rate of only £6 16s. 8d. per cent. on the premium income, and this only about one-half of the average rate of expenses of life offices, as shown by the returns to the Board of Trade. We have not, however, sacrificed efficiency to economy, and have spent a reasonable amount in advertisements and circulars in order to keep the Society before the public.

We have been working since August 7 last year under our new Act of Parliament, under which we have become a corporate body, our constitution being also simplified. In addition to business facilities, we have already reaped some advantage from the Act, as we have been able to grant several assurances on the lives of university and public school men. Those persons are now entitled to insure with the Society, and we have derived considerable advantage during the past year from their ability to do so.

#### The Mortgages and Other Securities.

In anticipation of the valuation of our assets and liabilities, which is due to be made as at May 31, 1916, we are about to commence an exhaustive inquiry into all our assets. I may, however, explain that our securities continuously receive our careful consideration, and with regard to our investments in mortgages, ground-rents, and other similar securities, representing a total investment of two and one-third millions, I anticipate with confidence that our examination will prove satisfactory. Your directors have always given the greatest attention to the consideration of our mortgages, and it will be satisfactory to you to know that there has been practically no difficulty during the

past year in obtaining payment of the interest, while in many cases a higher rate of interest will be obtained than we have at present. We must at the same time realise that the serious growth of the income tax, which has very possibly not yet reached its high-water mark, must trench considerably on our profits.

#### Depreciation of Investments.

Our investments in Stock Exchange securities must inevitably show a serious depreciation next year in comparison with our last valuation in 1911. The depreciation since this time last year is mainly, if not wholly, due to the War, and it will be necessary for us towards the close of the current financial year to endeavour to ascertain the value of those securities, so that we may decide on the value to be attached to them in our balance sheet next year. It would be difficult, and of no profit, to attempt the task at the present time. We do not feel able to offer any forecast regarding the result of next year's valuation, because so much may happen during the next ten months, but it seems only right that I should point out that it would not be reasonable for the members to expect a distribution of bonus next year at anything like the exceptionally high rates declared in 1911 and on former occasions.

#### Sums Assured and Bonuses "Amplified Provided for."

In connection with this statement, which I have no doubt you will have anticipated, it will be a satisfaction to you to know that, in the opinion of your directors, the security for the payment of all sums assured under policies and of the additions thereto made by past bonuses is amply provided for by our reserves, which, as you are aware, have been made on an extremely stringent basis. There is a matter to which I should like to allude before closing. In these troublous times our members may find a difficulty in making their periodical payments of premium when due, and I would therefore call attention to the exceptionally favourable terms which we adopted some years ago in regard to premiums in arrear and the revival of lapsed policies. I believe these terms are almost unique in their liberality. So long as the surrender value of the policy is sufficient to cover debts due to the Society the benefits of a policy cannot be forfeited. As a matter of fact, our members seem so far to have succeeded in maintaining their payments—though doubtless in some cases not without difficulty—the cases of arrear being rather less than usual.

#### The Staff.

You will observe that Mr. W. N. Neale, who was our respected Secretary, retired on June 1 last after upwards of 46 years spent in the service of the Society. (Cheers.) It gives me great pleasure to say that he was a much-valued official, and the directors desire to record their appreciation of the manner in which he carried out with invariable efficiency and courtesy the responsible duties of Secretary. (Hear, hear.) The directors have appointed as his successor Mr. F. T. M. Byers, F.I.A., who has been with us 27 years, and who has for many years effectually discharged the duties of Assistant Actuary. (Hear, hear.) In praise of the staff generally I should like to take this opportunity of expressing the board's appreciation of their services throughout the year. (Hear, hear.) Though normally a small staff, their number has been materially reduced by the War and by the difficulty of obtaining substitutes for those who have left to serve their country, of whom there are several. Those who remain with us have cheerfully performed the additional labour consequent on the absence of their colleagues. (Hear, hear.) With those few words, gentlemen, I will ask you to adopt the report. After the motion has been seconded I shall be glad to hear any remarks which any member may have to make.

The Deputy-Chairman (the Rev. Prebendary Harvey) seconded the motion.

#### Questions Answered.

The Actuary and Manager, in reply to questions, stated that the number of those who assured with the Society under the new rule in the past year was apparently 30 out of the total of 401; there were 30 university and public school men, including several students of the theological colleges, and the total amount assured by them was £10,000. The expenses of the Society were down to the minimum, and an increase of new business would mean an increase in certain items.

The Chairman, in answer to Mr. Birch, stated that the Society bought £20,000 of the old War Loan, and they were subscribing for £80,000 of the new War Loan. The directors thought that that was sufficient to indicate the warm interest they took in the success of the Loan, and that they thought well of it as an investment.

The report was then unanimously adopted.

On the motion of the Hon. Sir Edward Thesiger, K.C.B., seconded by the Rev. Canon Pennefather, the retiring directors, the Very Rev. the Dean of Canterbury, the Very Rev. the Dean of York, and the Rev. Canon J. J. Scott were re-elected; and Mr. E. R. Frere, chartered accountant, was reappointed auditor of the Society for the ensuing year.

On the motion of Mr. Walter B. Kingsford, a cordial vote of thanks was passed to the Chairman and the directors.

The Chairman, in acknowledging the vote, assured the

members that his colleagues and himself did their best to carry on the affairs of the Society with the utmost care. Like many other people in the City of London and elsewhere, they had to look forward this year to a period of anxiety. They took care that the value of the mortgages and other investments which were under their own control was well maintained, but the value of their Stock Exchange investments was beyond their control, and he feared that depreciation in them was inevitable. On behalf of his colleagues and himself he expressed the highest appreciation of the services rendered to the Society by Mr. Wyatt.

The Actuary and Manager afterwards stated that the life offices for some years endeavoured to obtain an improvement in the method of their assessment to income tax, and a small concession had just been made to them. By the new Finance Act they would in effect obtain an abatement of income tax on an amount equal to their expenses of management.

The proceedings then terminated.

### GLOUCESTER RAILWAY CARRIAGE AND WAGON COMPANY, LIMITED.

#### The Company and Government Contracts.

THE annual meeting of the shareholders of the Gloucester Railway Carriage and Wagon Company, Limited, was held at the Company's offices, Bristol Road, Gloucester, on Monday, July 26. In the absence through indisposition of the Chairman of the Directors (Mr. R. V. Vassar-Smith, of Charlton Park, Charlton Kings), Mr. E. L. Evan-Thomas (London) presided, the other directors present being Mr. J. Albert Matthews (Gloucester), Mr. Ernest K. Little (Newbold Pacey Hall, Warwick), and Mr. John J. Steinitz (Managing Director). It was explained that the other directors, Viscount Quenington, M.P. (Coln St. Aldwyns, Fairford), was with his regiment in Egypt, and Mr. Stanley Baldwin, M.P. (Astley Hall, near Stourport), was engaged with the Committee concerning the internment of aliens.

#### The Directors' Report.

The directors, in submitting the statement of accounts for the year ending May 31, 1915, reported as follows: The profit on the year's trading, after making the usual provision for depreciation and payment of war allowances to dependents of employees serving in the Army or Navy, also for contingencies and internal reserves, is £55,330 19s. 3d., and the disposable balance, after deducting the interim dividend paid February 1 last, amounts to £76,537 6s. 1d. The directors propose to transfer £10,000 to reserve, which will then amount to £170,000, and recommend the payment of a dividend for the past half-year at the rate of 10 per cent. per annum (£18,394 8s. 6d.), less income tax, making 10 per cent. for the year, and that the balance (£48,142 17s. 7d.) be carried forward. The directors have concluded an arrangement under which the 124,996 fully-paid shares in the Port Talbot Steel Company, Limited, are to be exchanged for an equal number of fully-paid shares in Baldwin's, Limited, and Mr. Vassar-Smith, Mr. Evan-Thomas, and Viscount Quenington will join the board of Baldwin's, Limited. The Company now repair and maintain 28,955 wagons, including those belonging to the Company.

#### Work for the War Office.

Mr. Evan-Thomas, in moving the adoption of the report and accounts, stated that the past year's working showed less profit and the turnover was smaller than in the previous year. That was accounted for by the fact that so many of the Company's men, nearly 800, had either joined or rejoined the Colours, and that, of course, had had a very great effect in the shops. In addition to that the Company, in common with all other industrial concerns of the kind, had experienced a great difficulty in obtaining the raw material required. As regarded the coming year, the probabilities were that they would be doing more and more war work, and the other contracts received were only accepted subject to War Office requirements. The Company had done a great deal of work during the past year for the War Office—work for which their equipment was suitable, such as general-service limbered wagons, 18-pounder gun limbers, ambulance wagons, ambulance stretchers, tool carts, transport wagons for bridge-building cranes, draught poles, rollers, wheels, and spokes—and lately they had been asked to take a share in the construction of shell cases and copper driving bands for shells. In this connection Mr. Evan-Thomas called attention to the first two shell cases which the Company had made, as well as an axle of a gun limber, a very considerable number of which were being made for the Government. He pointed out an interesting fact in connection with those gun limbers—the extreme accuracy of the workmanship.

#### An Important Factor in the Output of Shell Cases.

He thought he could safely say that, whoever might be taxed on war profits, at any rate as regarded the manufacture of the shell cases and the copper driving bands for shells the Company would not be amongst the number. The board felt it would be the wish of the shareholders that

they should assist in every possible way the requirements of the Government. (Hear, hear.) The making of shell cases being new to the Company, they were not able to take it up with the same certainty that they could other manufactures with which they had long been familiar; but at the same time they had every expectation and belief that the Company's works would be an important factor in the output of shell cases and driving bands for shells for the Western district.

#### The Year's Profit.

After pointing out that since the last annual meeting the directors had invested £100,000 in the two War Loans, Mr. Evan-Thomas said the fact that the profit for the past year was less than for the previous twelve months was partly accounted for by the allowances which had been made to the wives and other dependants of the Company's employees who were on active service, which, together with the Company's subscriptions to charitable objects connected with the War, amounted to about £11,000. In addition there was, as he said, a reduced turnover. The work going on now was as much as the Company could do, but, naturally, with so many hundreds of men less, the turnover must necessarily be smaller.

#### Interest in Baldwin's, Limited.

Alluding to the reference in the report to the arrangement for the exchange of 124,996 fully-paid shares in the Port Talbot Steel Company, Limited, for an equal number of fully-paid shares in Baldwin's, Limited, he said the reason for that was partly that it was an advantage to the Wagon Company to have a holding in a Company like Baldwin's, Limited, which was a strong concern with a varied output. As soon as conditions would allow, Baldwin's, Limited, were going to put up blast furnaces, which would enable that Company to manufacture entirely in their own works without having to go outside for any of the materials. Of course, it would readily be understood that when steel was good there were very satisfactory profits to be made in work such as theirs, which did not confine itself to one branch only of the steel trade. In regard to such trades, however, it was very often the case that when one trade was dull other closely allied trades were doing very well, and he thought the shareholders could take it that the directors had, by increasing the base upon which the prosperity of their holding depended, done that which was an advantage to the Wagon Company. (Hear, hear.) They would still have the same opportunities for obtaining their raw material from the Port Talbot Steel Works that they had had in the past, and the board thought that the arrangement which had been made was a very good one from the point of view of the Wagon Company. (Hear, hear.)

#### Tribute to Managing Director.

Passing on, Mr. Evan-Thomas said that during the past year the difficulties which had been in the way of their Managing Director and the heads of the different departments in the matter of carrying on the business of the Company had been very great. The Managing Director had taken a very large share in helping the Company to arrange for the manufacture of war munitions, and he had also taken a prominent part in work of the Munitions Committee for the district. Things being as they were—namely, that the Company were likely to have to devote themselves mainly to the manufacture of war munitions—the board thought that a great deal of the success which they felt sure would be achieved would be due to their Managing Director. (Hear, hear.)

Mr. J. A. Matthews seconded the adoption of the report and accounts, which was unanimously agreed to.

Upon the proposition of Mr. George Aldridge, seconded by Mr. W. S. Morland, Viscount Quenington, M.P., and Mr. Stanley Baldwin, M.P., the retiring directors, were re-elected.

Referring to the regretted absence of the Chairman of the board, Mr. Aldridge said he supposed there was no man in Gloucester, and scarcely in Gloucestershire, who had such responsible work in hand as Mr. Vassar-Smith, who was also, amongst other important positions, Chairman of Lloyds Bank Limited. Mr. Vassar-Smith had, he believed, been engaged at the Treasury in connection with the finances of the country during the present crisis, and the Wagon Company had reason to be proud of having him to preside over them. (Hear, hear.) They all hoped that he would soon have recovered from the chill which prevented his being present that day.

Mr. Alfred Slater moved that Messrs. Hudson Smith, Briggs, Smith and Taylor, chartered accountants, Bristol, be reappointed auditors, and that their remuneration be £250 for the year. He expressed pleasure at the statement as to the help given to the wives and other dependants of the Company's employees who had gone to the Front, and remarked that the £11,000 so expended, and in charitable objects connected with the War, accounted for nearly one-half the difference in the balance of profit and loss, as compared with the previous year.

Mr. Morgan Matthews seconded the proposition, which was adopted.

#### Vote of Thanks to the Chairman, Directors and Staff.

Upon the proposition of Mr. J. M. Collett, seconded by Mr. Morgan Matthews, a hearty vote of thanks was accorded the Chairman and his co-directors and the officials of the Company for the excellent results which they had been able to produce.

Mr. James Bruton (Mayor of Gloucester), in supporting the vote, paid a tribute to the splendid lead which the Company's men had given to the city in the matter of recruiting, and to the valuable work which the Managing Director had done in that direction, as well as in his capacity on the local Munitions Committee.

The Chairman, in acknowledging the vote, said that with the experience already gained the Company might be relied upon, under the Managing Director's direction, to do all in their power to help the Government in the production of munitions. (Applause.)

The meeting then terminated.

#### FURNESS, WITHY AND COMPANY, LIMITED.

THE twenty-fourth annual meeting of Furness, Withy and Company, Limited, was held at the registered office, Royal Liver Building, Liverpool, on Saturday, July 24, 1915, at noon.

The Right. Hon. Lord Furness presided, and was supported by the directors of the Company. There was also a large number of shareholders present.

The Secretary having read the notice convening the meeting, Mr. Walton, of Messrs. W. T. Walton and Son (the auditors) read the auditors' report.

The Right Hon. Lord Furness, in moving the adoption of the report and accounts, said: The circumstance that we are met in Liverpool, and not in West Hartlepool, gives the key to what must be the dominant note of my speech to-day. It has been a year of change. The location of our registered office had for some time been a matter of concern to your directors, and the very large development of our trading interests in and with the American Continent, both North and South, indicated that it would be of considerable advantage to the undertaking were its headquarters placed here in Liverpool, the greatest of our Atlantic ports, where we have so many interests. That change is now complete. The step was not one to be adopted without much thought and consideration, but the benefits are already very manifest to everybody concerned in the working of the business, and will, we feel, become increasingly evident as time passes.

#### The Late Sir Stephen Furness.

Turning to things of another order, it is with feelings of very real regret that, for the first time, I am meeting you as Chairman of the Company. Whilst I have been a member of your board for nine years only, my predecessor in this position, and my cousin, the late Sir Stephen Furness, Bart., had grown from youth to prime manhood in the service of the Company, and was one of the directors for twenty years. That he, with so ripe experience, should have been spared but two short years in the Chairmanship is a matter of the most sincere regret to all his colleagues, and is, I am assured, much deplored by the general body of shareholders. Upon such occasion, and at the unanimously expressed wish of my co-directors, I consented to take up the duties of the Chairmanship, and Mr. F. W. Lewis was at the same time associated with me in the position of Deputy-Chairman. He has, as you know, been with the Company from its formation, and I need hardly tell you that his business qualities were held in the highest regard by my father, the late Lord Furness—as, indeed, they are generally by his compeers. A very much greater change is that which broke upon us so suddenly in August last, affecting vitally and most tremendously the whole civilised world. It is, I suppose, the most gigantic upheaval that has ever befallen mankind, and is imposing situations and conditions that will call for the utmost resource and watchfulness in us all. Of its ultimate effect upon a Company such as our own it would be idle at this point of time to speculate.

#### The Result of the Year's Working.

Coming now to our own immediate affairs, and speaking of the year that is past, we have, I think, every reason to be gratified with the results, since the profit shows an increase of £32,619 5s. 3d. Having regard to the highly remunerative character of certain reported transactions in the shipping world, this result, satisfactory as it is, may fall below the expectations of some amongst us, but, bearing in mind, on the one hand, the contractual obligations of the Company, largely engaged in line-business, and, on the other hand, the very large proportion of our fleet requisitioned—and rightly requisitioned—by the Government, you will, I

think, be inclined to agree that we have a great deal to congratulate ourselves upon, and little, if anything, to lament. More than 50 per cent. of the Company's fleet has at some time been, and still is, upon Government business, so that we are withheld from profiting by freight rates to anything like the same extent as shipowners whose whole fleets are engaged in tramp business, and practically the whole of our steamers outside Government service are employed as liners, bringing food and other necessary supplies direct to this country.

#### Strong Financial Position.

Summing up the financial position, you may note, as a matter of outstanding importance at the present juncture, that the Company is exceptionally strong in regard to its liquid resources. The balance sheet shows cash in hand and bills, with amounts owing to us as debts, at £1,157,593 4s. 7d., compared with £953,649 2s. 6d. in respect of the same items at the close of the previous period—an increase of £203,944 12s. 1d. On the other hand, our liability in respect of bills and open accounts figures out at £1,077,605 3s. 6d.—a decrease of £51,328 4s. 9d. The position is, therefore, £255,272 16s. 10d. better than a year ago. Turning to the reserve fund, you will observe that £50,000 has been placed in the War Loan, 1925-28. As will be seen from the report, we have also subscribed for £150,000 in the more recent War Loan, in addition to which our subsidiary and associated Companies have amongst them contributed a further £350,000, making a total investment of £550,000. Apart from the intrinsic merits of such an investment, the directors deem it to be their patriotic duty to shoulder some part of the national burden; and they feel sure that every shareholder will support them heartily in that course.

#### Development of American Business.

Our American business, under the supervision of Mr. H. C. Blackiston, has shown substantial development, and the establishment of an office at Baltimore completes our direct representation at practically all the important ports on the North American seaboard. The construction of the new wharf and warehouse at St. John's, Newfoundland, has been completed, and the acquisition of these properties is very much increasing the efficiency of that particular branch of our business. We are also rebuilding our wharf at Halifax, Nova Scotia, and when the work is finished our facilities at that important port will be very considerably increased.

#### Furness-Houlder Argentine Lines.

Mention was made at the last annual meeting of the formation of the Furness-Houlder Argentine Lines, Limited, and in the course of the year an issue of £500,000 First Mortgage 5% Debentures was made with very satisfactory results. It happened to be the first prospectus issued to the general public with the consent of the Treasury after the outbreak of the War. Three-fifths of the capital of this concern is owned by the British and Argentine Steam Navigation Company, Limited, the whole of the capital of which belongs to your firm, whilst the remaining two-fifths is held by Houlder Brothers and Company, Limited—an important undertaking, in which, as you know, we are also very largely interested. At the present time, the entire refrigerated tonnage controlled by your Company is serving the country and its Allies in a manner that is doubly effective, the right of requisition exercised by the Board of Trade securing that department, not only in regard to the carriage of the meat supply, but also in power to limit the price. Whilst the capital so employed is not giving us a return in revenue at all commensurate with the rates of freight ruling on ordinary merchandise, we realise with a feeling of satisfaction that we are rendering some service in an important direction. We have acquired interests in a very old-established Irish company—the British and Irish Steam Packet Company, Limited—and our coasting trades continue to develop and expand. In consequence of the congestion in shipping at Liverpool and London we have inaugurated an additional service from New York to Cardiff, as a means of increasing the facilities for bringing supplies to this country. The results of this service have been very satisfactory, particularly as your Company has its own office and organisation at each of these ports.

#### Submarine Losses.

In common with many other shipping concerns, we have sustained some losses in our fleet through the activities of enemy submarines. The steamers *Mobile*, *Queen Wilhelmina*, and *Tunisiana* have been sunk—the first-named during the last financial year, and the other two in May and June, respectively. The losses, whether as to hull or cargo, are covered by insurance, and there was, happily, no loss of

life. Two vessels—the *Portinglis* and *Fernandina*—have been out of commission since the outbreak of war, the former being interned in Bremen, and the latter held up in a Russian Baltic port. Both vessels are covered by insurance. With such a large fleet as your Company possesses, the directors consider we have been very fortunate in having incurred so small a proportion of loss. The Company's steamers have run free from total loss through marine risks, and the small number of accidents in a fleet of this magnitude testifies to the navigating skill and ability of our captains and officers.

#### Recognition of Services of Staff at Sea.

It is undoubtedly a most anxious time for all those employed in the mercantile service, and I am sure it will be a pleasure to you to know that the directors have allocated the sum of £10,000 for division amongst the masters, officers, and engineers of our fleet, in recognition of the extra strain they are called upon to endure, and the added vigilance that is necessary as a consequence of the War. The individual allowance will be apportioned after peace is declared, and will be in addition to the already increased wages; nor are those allowances to be prejudiced by illness or by reason of any officer leaving to join his Majesty's Forces. Our decision in respect of this special grant was taken several months ago, and I am gratified to observe, from reports given in the newspapers, that others have, since then, resolved to make similar grants to their own men. A very great deal of courage and the acme of efficiency is demanded from every man responsible for the conduct of our ships, and we ought to recognise gladly not only the commercial value of these qualities, but, more particularly, the cheerful and loyal manner in which they are placed at our disposal.

#### Patriotism of Employees.

The response made by our office staffs to Lord Kitchener's appeal has been full and complete. Of the clerks employed by your Company in this country at the outbreak of the War, 40 per cent. joined his Majesty's Forces, and, in acknowledgment of their patriotic self-sacrifice, we are keeping their places open for them until their return to civil life, and we are paying their full salaries during their absence from business. Naturally, the withdrawal of such a large proportion of the staff has caused a considerable amount of extra work and responsibility to fall upon the remainder—men mostly over military age, and who, for other reasons, are not eligible for military service; but this additional work has been shouldered readily for willingly, and I should like to express the appreciation of the directors both to those members of the staff who have gone forth at the call of their King and country, and to those who, remaining at home, have helped to make it possible for their colleagues to go. Several of our clerks are already in the fighting line, and I regret to say that two have laid down their lives for their country.

#### Pension Scheme.

For some time past your directors have had under consideration the establishment of a pension scheme for the benefit of the staff. The details have been carefully worked out on an actuarial basis, providing for a pension at the age of sixty-three, and allowances in the event of death or serious illness. To make the scheme practicable and successful it is estimated that a lump sum contribution of £15,000 is necessary, and you will notice in the accounts provision has been made for this sum out of the profits for the year. I am sure this step will commend itself to the shareholders as being an encouragement to their employees.

#### The Future.

What the year upon which we have entered may have in store for us none can foretell. So long as the War continues shipping will surely remain good, but, looked at in true perspective, there is, I fear, little of sound health in such prosperity, and we may all hope and trust, with very real sincerity, for the speedy termination of a conflict that is not only crippling financially, and for a generation to come, the many nations engaged in it, but—immeasurably more tragic—is putting nearly the whole of Europe to the sword, robbing our own nation of the fine flower of its manhood, and bringing sorrow into well-nigh every home in the land.

I now move that the balance sheet as audited be adopted, and that the report of your directors be confirmed.

**Deputy-Chairman's Speech.**

Mr. F. W. Lewis said: In seconding the adoption of the report I should first of all like to associate myself with everything that has been stated by the Chairman in regard to the unfortunate death of the late Sir Stephen Furness. He and I had been associated together in this business ever since its inception, and the sad event was to me a personal loss. I should like also to state that the willingness of Lord Furness to accept the Chairmanship of this business, founded and built up by his father, has been a source of extreme gratification to his colleagues. The Chairman has dealt very exhaustively with the position of the Company, and there is little for me to say. The strength of the Company's position, as disclosed by the balance-sheet and accounts, must be a source of extreme satisfaction to the shareholders, who, I am sure, will also cordially support the conservative policy of the board in regard to the appropriation of the profits of the Company. We have to remember that we are passing through a period of national crisis; and, whatever the result may be, of one thing we can be quite sure, and that is, that things will never be quite the same again; and it behoves all prudent managers to conserve, as far as they possibly can, the resources of the businesses which they control. The Chairman has told you that 50 per cent. of our tonnage is on Government service, but, in addition, a large number of steamers owned by our subsidiary and associated companies has been requisitioned. It is true that the rates of freight paid by the Admiralty on an average are less than one half of what could be earned in the open market, but, inasmuch as the increase in freights generally is principally due to the Admiralty demand, I do not think any shipping companies can complain on this score, so long as the requisitioning of tonnage is regulated, as far as possible, on a proportionate basis, which the Admiralty are endeavouring to do.

**Freight Rates and High Food Prices.**

It has been suggested in some quarters that shipowners have taken advantage of the position to raise freights, but any comparison of rates of freight, without taking into account the increased war-risk expenses, wages, stores, coal, and abnormal conditions at loading and discharging ports, is exceedingly misleading. It will interest you to know that the amount of premium paid out for war risk insurance alone, from the commencement of the War up to the middle of this year, by ourselves and our associated Companies, amounts approximately to £350,000. Generally speaking, a very small proportion of the increase in the price of various commodities is due to freight. To take grain as an instance. The increase in the price of American grain in this country, as compared with the pre-war period, has been as much as 20s. to 30s. per quarter, but of this figure only about 5s. per quarter represents the increase in freight, out of which all the additional expenses already referred to have to be paid. Or take, again, the case of meat, to which the Chairman has referred. The increase in the cost of meat has, I suppose, averaged something like 3d. per pound, whereas we only received 1d. per pound extra freight, and you will appreciate the war risk alone in these high-valued boats is a very considerable item. It should also be remembered that a considerable amount of the increase in rates of freight has been contributed by foreign countries, and the earnings of the mercantile marine of this country have assisted in lessening the disparity in the trade returns caused by the increase at the present time in our imports over our exports.

I would also like to emphasise the Chairman's remarks in regard to the enthusiasm and loyalty of the staff, who have been working during a period of unexampled difficulty and pressure, and too much credit cannot be given to them. I have much pleasure in seconding the adoption of the report and balance sheet.

Mr. George Paterson congratulated the directors on the successful results of the past year, and extended a hearty welcome to the Company to Liverpool.

On being put to the meeting the resolution was carried unanimously.

On the motion of Mr. R. E. Burnett, seconded by Mr. A. S. Purdon, J.P., the election of Mr. Ethelbert Furness to a seat on the board was unanimously confirmed.

The retiring directors, Mr. F. W. Lewis, Mr. R. E. Burnett, and Mr. W. H. Furness, were unanimously re-elected, on the motion of Mr. R. W. Vick, J.P., seconded by Mr. W. H. Beekingham.

The auditors, Messrs. W. T. Walton and Son, were re-elected, on the motion of Mr. J. B. Glynn, seconded by Mr. G. A. Hamadon.

A hearty vote of thanks to the Chairman was proposed by Mr. H. M. Grayson, seconded by Mr. J. H. Beekingham, J.P., and carried by acclamation.

The proceedings then terminated.

**MARCONI'S WIRELESS TELEGRAPH COMPANY, LTD.**

THE eighteenth ordinary general meeting was held on July 26 at the Whitehall Rooms, Hotel Metropole, Whitehall Place, S.W., Signore G. Marconi, G.C.V.O., LL.D., D.Sc. (the Chairman), presiding.

The Secretary (Mr. Henry W. Allen, F.C.I.S.) read the notice convening the meeting and the report of the auditors.

The Chairman, who was received with cheers, said: Ladies and gentlemen,—I have little doubt that the statement of accounts which has been submitted to you will be regarded in all the circumstances as satisfactory. If you will refer to the balance sheet you will find on the debit side that capital remains practically unchanged. Bills payable show a slight increase, and sundry creditors are somewhat less than the figures of the preceding year. The reserve account now carries with it the share premium account, which, as we have advised you, we have transferred. On the credit side the cash at bankers and in hand requires no explanation, while the amount to the credit of temporary investments and loans against securities represents moneys for which we had no immediate need, and which, therefore, have been lent against or invested in first-class securities earning a better interest than could be obtained by placing the money on deposit at our bank. "Sundry debtors" shows an increase approaching £250,000 over the figure of the preceding year. Practically the whole of this increase was in respect of Government work and nearly the whole of it has since been received. The amounts invested in freehold and leasehold properties do not call for any special comment. They have been reduced by sums set aside for depreciation according to our custom. "Shares in associated companies," as stated in the report, shows an increase of some £60,000, the greater part of which is represented by an increase in our holding in the Russian company, by reason of the growth of their business and the increase of the capital, of which we took our proportion. The par value of our total shareholding is now close on 2½ millions sterling, but the figure appearing to the credit in the balance sheet represents, as usual, the actual cost to the Company.

**Increased Profit.**

Turning to the profit and loss account, there is little which calls for comment. On the debit side there is the substantial balance, amounting to £232,716 8s. 11d., profit carried to the balance sheet. This figure shows a marked increase over the profit of the preceding year, proportionate, of course, to the increase in contracts, sales, and trading account. I do not think that the figures need any further explanation, but, as I have already said, I am satisfied that you will regard them in all the circumstances as highly satisfactory. They exclude, however, as you have been told in the report, any remuneration from the Government for the use of the Company's high-power stations since the beginning of the War, and numerous other services which the Company has rendered. As no basis for remuneration has yet been settled, we have thought it better to make no estimate of this amount, but have left the whole item to be dealt with in the accounts of the current year. All that I can be permitted to tell you is that the amount of work which has been done and the services rendered are considerable, and we have very little doubt that the remuneration which will be awarded the Company in due course will be proportionate to the value of the services rendered and the work done. We all realise that we are passing through most exceptional and serious times, and everybody, I am sure, will appreciate that the outbreak of hostilities at the beginning of August of last year must have caused very considerable disturbance to a world-wide business such as ours. As was to be expected, wireless-telegraph apparatus was promptly declared to be contraband of war, and for the time being, therefore, our work in many parts of the world practically came to a standstill. Some of our negotiations had to be completely abandoned, and many others deferred. Our programme has consequently undergone complete dislocation, and it is quite impossible at the present moment to say to what extent, or in what way, it will be affected eventually. We can only bide our time and await events. On the other hand, our factory has been kept very fully occupied in carrying out the very important orders which we have received both from home and abroad in consequence of the War. The greater part of this work, however, will figure in the accounts of the present year.

**Associated Companies.**

Very naturally, the businesses of our associated companies in some cases have also been very much disturbed. The American company have been deprived of the use of their Transatlantic station owing to the stations on this side being required for other purposes. It is hoped, however, that in due course they will receive fair compensation. Their high-power stations, however, of San Francisco and Hawaii have been completed, and a telegraphic service is being conducted with very satisfactory results. We are daily awaiting information with regard to the opening of the service through to Japan. Arrangements have been made with the Japanese Government for the conduct of a commercial telegraph service, which they contemplated to inaugurate ere this. The Canadian company has continued to make progress, but the changes which we informed you last year were contemplated

have not yet been able to be carried out owing to the War. The Argentine company have had to defer for the present work upon their high power station which they proposed to construct. The Belgian company continues to conduct its business from our offices in Marconi House under the direction of the English directors of that company, Mr. Godfrey Isaacs and Captain Sankery. The business is progressing satisfactorily, but it has been quite impossible to make up any balance sheet. The French company has continued to do a satisfactory business, and has paid for 1914 a dividend similar to that of 1913. The Marconi International Marine Communication Company, Limited, has continued to show satisfactory progress, although it has not been altogether free from loss directly arising from the state of war. Our Russian company had a very good year, and paid a dividend of 15 per cent., as compared with 6 per cent. for 1913. They have a considerable amount of work in hand, and are doing a very satisfactory business. The Spanish company's negotiations with the Spanish Government, to which reference was made last year, were not facilitated by the outbreak of war. They have, however, continued to make progress, and we are now advised that they are assured of an early and satisfactory termination. The development of the Automatic Telephone Company has not made much commercial progress, in consequence, of course, of the War. The name of the company has been changed to that of "The Relay Automatic Telephone Company," as the Swedish name under which it traded was liable to be mistaken, which would not have been to its advantage. We have signed an important agreement with the Italian Government, which we contemplate will be put into operation in the early future.

#### Imperial Wireless Chain.

With regard to the Imperial chain, you will remember that in their report of last year the directors informed you that they were permitted to make but slow progress with the erection of the six high-power stations for which they had contracted with his Majesty's Postmaster-General, and the Company's interests were being seriously prejudiced thereby. Within a few days of our general meeting war was declared, and at the end of the year the Postmaster-General informed the Company that owing to the altered circumstances resulting from the War the Government had decided not to proceed with the Imperial wireless chain. We were further informed that the governing factors in determining the Imperial scheme would be better met by means other than the construction of stations of the character and in the situations contemplated by the contract for the Imperial chain, and that the amounts disbursed by the Company in respect of the contract would be refunded to us. Subsequently, in February, negotiations were entered into with his Majesty's Government for the erection of certain stations on conditions differing from those contained in the original scheme. Negotiations are proceeding on a basis which, if agreed to, would represent to the Company a reasonable equivalent of the terms of the 1913 contract. (Hear, hear.) Nothing, however, has yet been definitely decided. Since I last addressed you there have been some important developments in the art of wireless telegraphy, and we have applied for several new patents. It would be inadvisable, however, for me to give any further information upon this subject at the present time. You will perhaps remember that I said last year: "The value of wireless telegraphy may one day be put to a great practical and critical test; then perhaps there will be a true appreciation of the greatness of the work." I have full confidence that when the War is over and the facts can be made public the appreciation to which I referred will not be lacking.

#### Managing Director's Statement.

Mr. Godfrey C. Isaacs, who was warmly received, said: Ladies and gentlemen,—I want to remind you that I joined the Company, at Mr. Marconi's personal invitation, on January 25, 1910. At that time the Company had an issued capital of £547,299. It had practically no cash resources whatsoever, and it had no credit. To-day we have a capital issued of somewhere approaching one and a half million sterling, and I think you have but to refer to the balance sheet to be satisfied that we are in a very sound financial position—(Hear, hear)—and that our balance sheet is a very sound balance sheet, and that our assets are very sound assets. We have to-day nearly one million sterling to the credit of our general reserve account, and we have very large assets in the shape of cash, realisable first-class securities, freehold property, leasehold property (and in speaking of leasehold property I would like to tell you that, although it appears in the balance sheet at cost, less depreciation, we could dispose of it to-day—and we have had more than one offer for it—at a very handsome profit); and we have, in addition, a large number of shares in our associated companies, most of which have to-day a very substantial value, and all of which, we hope, in the future will have a very big value.

#### German Competition.

Now, ladies and gentlemen, I want to tell you something of the reasons why the business did not prosper in its first years. Very soon after Mr. Marconi provided the Company with this very valuable invention the methods which obtained abroad were adopted with regard to this science, and the very

valuable patents which were then this Company's property, and the property of this Company alone, were imitated in Germany, and with the great ability of the German people and their great foresight a big German company was created. This German company was created by the German Government. Now, ladies and gentlemen, that was the opposition company against which the Marconi Company for many years, up to the time when I joined it, and subsequently, had to contend. The German company, no doubt under the direction to a large extent of the German Government, proceeded to create powerful agencies in pretty well every country in the world, and they made great headway. With the exception of Italy, France, and this country, they had, I think, obtained the preponderating position in this industry in practically every part of the world, and that was the position which I found in 1910. Wherever one went, whatever negotiations one had with a foreign Government, one was always in competition with the powerful German agency. But that was not all. We had not only to contend with the German agents, but we had also to contend with the German Ambassadors, and we eventually found that our position was so impossible under such conditions that I returned from a journey abroad, and made an immediate appeal to Sir Edward Grey, and placed these facts before him, and from that time forward I obtained the support of the British Ministers abroad in our different negotiations with foreign Governments, and from that time also we commenced to make substantial progress until we reached undoubtedly the preponderating position in the industry throughout the world.

#### Proposal to British Government.

Within three months of my joining the Company it was evident to all of us that the future of our Company lay in the commercial wireless-telegraph service around the world, and we adopted the policy of creating such a commercial telegraph service; and one of our first acts in April 1910 was to apply to the British Government for the right to erect high-power stations in all the British possessions, we stating at the time that we had determined to create this telegraph service—that we had determined to create that service on British soil, if possible, but that we had made up our minds that the stations were to be built and the service created. Unfortunately, the Government did not see its way to grant us that right, although we had asked for no money. We had merely proposed that we should, at our own expense, build these stations and work a commercial service in peace time, and, in case of war, hand over the whole of the stations to the Government for Government purposes. It is regret-



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table that we were not enabled in 1910, when we made that proposal, to proceed with our programme. Out of it was born the Imperial chain. As you will remember, when that was mentioned in Parliament it received most hostile criticism, on the ground that it was alleged that the Company was receiving terms far too favourable to it.

#### Germany's Message before War was Declared.

Immediately the matter was mentioned the German Government resolved to build a chain of wireless stations in all German colonies. The matter was not discussed in Parliament. The stations were immediately proceeded with, and they were built. In the light of what has subsequently happened you will probably say that it was a very bad investment, but you would be mistaken. You will remember that this country declared war on Germany at 12 o'clock midnight on August 4 last. At 5 o'clock in the afternoon of August 4 last Germany sent out a message to all its wireless stations, which passed that message on from one to another, and each station sent it out to sea, covering a radius of something like 2,000 miles or more, to this effect: "War declared upon England; make as quickly as you can for a neutral port." By that message, which occupied but a few minutes, Germany contrived to save the greater part of its mercantile marine.

#### The Future.

We contemplate that when this war is over, in consequence of the very big value which wireless telegraphy has proved itself to be during this war, there will be a very considerable business to be done with a great many foreign countries. But, ladies and gentlemen, we are mindful that when that time comes it is possible that, owing to the financial stress which may reign for a period, many foreign Governments would defer entering into the engagements which they otherwise, in my opinion, would be only too willing to do if we were not able to some extent and for some little period to finance the work which we may undertake for them. I do not know what is likely to be the position of our competitors when the War is over. I do not know whether they will have the same facilities financially or in other respects, but in any case we do not propose to take any chances. We contemplate so harbouring our resources that when the time comes we shall be able to undertake the business which will be offered to us, and we shall be able to undertake it far more profitably by reason of our having the means at our disposal to give such temporary assistance in carrying out the work as will be required. It only remains for me now to second the resolution which has been proposed by the Chairman. (Applause.)

The resolution was carried unanimously.

#### The Dividend.

The Chairman: Ladies and gentlemen.—I now have the honour to move: "That a dividend of 10 per cent., equal to 2s. per share, less income tax, upon the 1,222,688 Ordinary shares, numbered 1 to 500,000 and 750,001 to 1,472,688, be and the same is hereby declared for the year ended December 31, 1914; that the said dividend be payable on August 31, 1915, to the shareholders now registered on the books of the Company and to holders of share warrants to bearer."

Captain H. Riall Sankey, R.E., seconded the resolution, which was unanimously approved.

An extraordinary resolution altering the articles of association of the Company was unanimously carried.

A vote of thanks to the Chairman terminated the proceedings.

#### RAPHAEL TUCK AND SONS, LIMITED.

THE fourteenth annual ordinary general meeting was held on July 28 at Salisbury House, E.C., Sir Adolph Tuck, Bart. (Chairman and Managing Director), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the War, unprecedented in its magnitude and its methods, was no less unprecedented in its dire effects upon the commerce of nearly all nations, and, for the first time in the history of the Company's business, dating back nearly half a century, the balance sheet was on the wrong side. The very causes which hitherto had contributed to the welfare and prosperity of the Company—namely, the wide extent of its ramifications—had in the first year of this cruel war led to exactly the opposite results. The parent Company in London, their branch houses in Paris, the companies in Berlin, in New York, and their agencies everywhere were stricken as by a blight. The 50 and more travelling men, including the Company's representatives in Australia, India, China, Russia, &c., one and all sent disquieting reports about the state of trade, and from that period orders, where they were taken at all, were cut down to the lowest possible dimensions. Cables arrived from customers in the most distant parts of the world, some reducing, others altogether annulling orders taken months previously, and on account of which considerable expenditure had already been incurred by the Company. He thought the shareholders would not find it difficult to arrive at the conclusion of the directors—that the wonder was

that the Company had emerged from this threatening and entirely unprecedented situation with so relatively little loss, and without their even finding it necessary to set up a Coalition Government.

#### Business Adversely Affected by the War.

Referring to the various departments of the business, each of which, he said, had been affected in a greater or less degree by the unexampled conditions which had prevailed, he stated that the engraving and general picture department was among the greater proportionate sufferers. The sale of these publications ceased almost for a time, and the department was practically kept going only by topical issues connected with the War. A fine recent South African portrait of General Botha in khaki was just being added to this series. The Christmas and greeting-card department, fortunately, was not affected to anything like a proportionate extent, and there could be little question that here the timely action of their Majesties Queen Mary and Queen Alexandra—who at the psychological moment graciously placed additional orders with the Company for Christmas cards—helped to save the situation. The minor departments, such as art novelties, reliefs, screens, &c., suffered considerably. Of these, however, the "Zag Zaw" picture-puzzle department, which had at first declined with the rest, made good nearly all its shortcomings before the close of the financial year. This gratifying increase in the demand for Tuck's "Zag Zaw" puzzles was due to the fact that the engrossing occupation of piecing together the artistic pictures of which they were composed and which had made them such favourites everywhere was found a delightful sedative, exercising a most soothing effect upon the nerves of our wounded heroes during their convalescence.

#### Patriotic Picture Post Cards.

One department, and one only, enjoyed the unique distinction this year of having actually gained upon its turnover as compared with last year, and that was the picture-postcard department. Despite a marked decrease in the demand for general picture postcards at the onset, the loss was quickly set off by the success which attended the Company's series of nation's postcards, comprising important military, naval, and other patriotic subjects, the issue of which they promptly extended the moment war broke out. The correctness of detail, combined with the high artistic merits, of these patriotic postcards had ensured them the patronage of royalty, of all ranks in both services, from the highest in command, and last, but not least, the wide support of the great public. As a matter of fact, the sale of the Company's nation's postcards continued quite an important feature at the present moment, while the general series and, strangely enough, humorous subjects, were once more in the ascendant. It was but fair to point out that the activities of their various departments were not fully evidenced by the actual turnover recorded in the Company's books. Thus, the issue of the important national subject, "Defenders of the Empire," painted by Mr. Harry Payne, in the first instance in picture form for framing, again as a "Zag Zaw" picture puzzle, then in a reduced size as a national Christmas card, and finally as a picture postcard—every one of these issues being entirely in aid of the Prince of Wales's National Relief Fund, with none of the sales credited in the Company's own books—accounted for quite an appreciable amount of time devoted by the respective departments to the service of the nation. A first instalment of £1,000 on account of profits on these sales had already been handed by the Company to the Treasurers of the National Relief Fund, and to this they hoped to make additions from time to time. The issue of a series of six specially designed Red Cross postcards in aid of the British Red Cross Fund would, the directors trusted, result in a desirable contribution to this most efficient and valuable organisation. The staff of Raphael House had, as a matter of course, been depleted by a number of their men who had gone to the Front. Those who remained with them had endeavoured to help with all the means within their power, while the Raphael House Women Workers' Guild, under the presidency of his wife, had already provided many thousands of garments and comforts for the wounded and the fighters at the Front, and would continue its patriotic work till the end of the War. The total amount of the War Loans subscribed for by the Company amounted to £15,000.

#### The Outlook.

The shareholders would probably desire him to say something as to the outlook for the future. The first three months of the Company's new financial year were about to expire, and the result so far was reassuring. The turnover was gradually mounting up week by week, and while it could not be expected to reach its normal level so long as the War continued, he made bold to say that they were more than holding their own in the volume of their trade in face of the greatest struggle known in the world's history; and if, as was more than likely, it ultimately became a question of the survival of the fittest, their Company would certainly make a brave show among the traders of the Empire. An historic issue this month of royal portraits

by the Company's engraving department was well calculated to provide a timely stimulus to loyalty and patriotism. This excellent series of six high class portrait engravings, graciously approved by their Majesties and most favourably reviewed by the entire Press of the country, comprised portraits of the King in Field Marshal and Admiral uniform respectively, of Her Majesty the Queen, their Royal Highnesses the Prince of Wales, Prince Albert, and the Princess Mary. His son Desmond, one of the directors, was at the present moment at the Front, where they all hoped he might prove of good service to the country and finally return safe to them. He afterwards called attention to the principal items in the accounts, and said he was sure the shareholders would agree that with total reserves of £85,000 the Company was in a sound financial position. The directors had made every proper provision in the matter of allowances and writing-off, and if they had erred at all they had done so on the right side—caution. The results of the coming year were necessarily in the lap of the future, but if present indications were maintained they certainly hoped to meet the shareholders twelve months hence with a different report from that which it had been their lot to submit on the present occasion. Concluding, the Chairman said: We have faith in our British Empire; we have faith in ourselves. Let us but continue to follow Cromwell's injunction to his soldiers, "Trust in God and keep your powder dry," and when the end of the War sees our Empire, as please God it will, emerge triumphantly from the trials and vicissitudes of to-day an era of renewed prosperity will surely dawn and again gladden the hearts of all shareholders of Raphael Tuck and Sons.

Sir Arthur Conan Doyle, in seconding the motion, pointed out that if they had not written down the stock so drastically as they had done they would have shown a balance on the right side.

The motion was carried unanimously.

The Vice-Chairman (Mr. Gustave Tuck), in proposing the re-election of directors of Sir Arthur Conan Doyle and Mr. Desmond Tuck, referred to the book and calendar departments, for which he was personally responsible. The book department, he stated, was in an extremely sound condition, and their calendar collection comprised about 270 different new designs, which had met with an extremely favourable reception.

Mr. Lionel Tuck seconded the motion, which was unanimously adopted.

A vote of thanks was passed to the Chairman and directors, and the Chairman briefly acknowledged it.

## TRANSVAAL GOLD MINING ESTATES, LIMITED.

(Incorporated in the Transvaal.)

A SPECIAL GENERAL MEETING of members whose registered addresses are elsewhere than in South Africa was held at Salisbury House, London, E.C.4, on July 21, 1915. Mr. Charles Pakeman presiding.

The Chairman said: With your permission I think we will take the notice of meeting as read. The net working profit for the year was £219,369, against £285,469 for the preceding year. To this profit has to be added the unappropriated balance from last year, £101,900, which, together with other small items, brings the total amount to be dealt with to £321,900, and this sum has been appropriated as follows:—South African profits tax and income tax, £19,524; dividends 17 and 18, together 30 per cent., £181,267; Debenture redemption and capital appropriation, £16,063; leaving a balance unappropriated represented by cash and cash assets of £105,050, to be carried forward, thus fully maintaining the strong financial position shown at our last meeting. While on the financial side of the Company's operations, I must refer to the special war levy of £500,000 which the Government of the Union of South Africa has imposed on the profits of gold mining for the year 1915, in addition to the tax levied under the Profits Tax Act. Although it is a question whether the gold-mining industry of South Africa, at any rate in normal times, was not already bearing its full share of taxation yet the industry recognised that the circumstances which called for this special levy were abnormal and it cheerfully accepted the extra burden, believing that in so doing it was worthily bearing its part in assisting the Empire at large during a most crucial period. The levy so far as this Company is concerned will amount to, approximately, £10,000. With regard to the Debentures, we are continuing to pursue the policy outlined at former meetings, and have purchased and cancelled during the year Debentures of a face value of £13,428 at an average price of £97 10s. 3d. per cent. Taking into account the far-reaching financial and economic effects of the war, the gold-mining industry of South Africa is fortunate in having experienced only the very minimum of inconvenience and disturbance to normal working. On the whole, therefore, Gentlemen, in view of the flood and the War—I put the flood first because after all it is that which has made the greater hole in our profits this year—I think, as I said

before, we should feel fully satisfied with the result. To conclude the financial side of the operations, you will have noted that the net capital expenditure was about £2,600, and that extensions to the plant at both the Elandsdrift and Vaalhoek Mines are contemplated which will entail a further expenditure of about £12,000 or £13,000. Turning now to the technical side of our operations, I will first give you briefly the results of the reduction operations, comparing the figures in each case with those of the previous year. At the three plants, Central Mines, Elandsdrift and Vaalhoek, a total of 161,910 tons were crushed against 166,410 tons, and the cost per ton crushed was 22s. 8d. against 22s. The lower tonnage crushed and the increased cost must be almost entirely put down to the floods, for during the months of December, January, and February the floods were so destructive in their effect (January recorded a fall of 25 inches) that not only were the tram lines connecting the various mines with the different reduction works damaged, but also large falls of ground and subsidences in the mines themselves rendered it for a time impossible to get ore out of them, even had the tram lines been in a position to carry the ore trucks. In addition to the increased cost and lower tonnage crushed, the yield has also fallen from about 13½ dwt. to about 12 dwt., the combined effect naturally resulting in a reduced profit, which fell from 34s. per ton in the previous year to 26s. 11d. in the year under review.

### Ore Reserves.

With regard to the important question of ore reserves, while we have the satisfaction of having fully maintained and even slightly increased the tonnage in sight, the average grade of this tonnage has somewhat decreased. The reserves at the Central Mines stood at about 401,000 tons of a value of 13½ dwt., showing an increase of about 12,000 tons, but a decrease in value of about 1 dwt. The tonnage here in reserve is equal to nearly three years' supply to the Central Mill. At Elandsdrift the reserve stood at about 56,000 tons of a value of 16½ dwt., showing an increase of nearly 18,000 tons, as well as an increase in value of ½ dwt. With its present capacity this tonnage would keep the Elandsdrift mill running for about seven years, but the fact must not be lost sight of that the capacity of this mill is being doubled, and consequently the reserve will keep the completed mill going for only half that time or even less. At Vaalhoek the estimated reserves were about 64,000 tons of an average value of 10½ dwt., showing an increase of nearly 10,000 tons, but a decrease in value of nearly a dwt. This reserve would keep the Vaalhoek mill employed for about three years, but here again we must not forget that a tube mill is being added to the equipment, and although the main reason for that addition is to obtain a better extraction, still the tendency may be to crush rather more ore monthly and so reduce somewhat the term of three years mentioned. Our large ore reserves are a source of much strength to the Company, and the satisfactory point to bear in mind is that year in year out (even floods notwithstanding) we have not for many years fallen behind about three years' reserves in sight.

### Development Work.

Turning for a moment to a few details of our development, I may say that development in the Central Mines, whence the ore is obtained to supply the Central Mill, has been of a steady character. The continuity of the Duke's Hill payable zone was proved finally to extend to the dip of the Peach Tree Mine, and the two mines have now been linked together, and this is not the least satisfactory part of the year's development. At Elandsdrift the development at the lowest level has been encouraging, and while the grade of the phenomenally rich Quartz Blow has been lowered, it has supplied the mill almost solely. I have already referred to the extension of the plant here. The development operations at Vaalhoek, owing to an inadequate pumping plant in the river section, were seriously handicapped by the floods, notwithstanding which its ore reserves have been added to and its general prospects improved. The tube mill to be erected will result in a better extraction (it never has been quite satisfactory at Vaalhoek), and the sinking of an incline shaft at the river section with electrical hoist and mechanical haulage will facilitate the tramming and reduce the working costs.

### Current Year's Operations.

Although we are dealing with the result of our operations to March last, it will not perhaps be out of place to say one word as to the current year—of which three months' results are already in your possession—showing profits of £13,500, £10,800, and £15,900 for April, May, and June respectively. The results, both as to the amount of profit and the tonnage (which I have not quoted), continue to reflect the disturbed condition of affairs consequent on the flood, but making allowance for this, must be regarded as satisfactory progress towards normal conditions.

A vote of thanks to the directors, the London committee and the staff of the Company, as well as to Mr. Pakeman for presiding, closed the proceedings.

### THE GORDON HOTELS, LIMITED.

THE twenty-fifth ordinary general meeting of this Company was held on July 29 at the Hôtel Métropole, the Earl of Bessborough, K.P., presiding.

The Chairman, in moving the adoption of the report, said that at the last shareholders' meeting he doubted if any of them had the least idea that within a fortnight from that date we should be involved in one of the most terrible wars in the history of the world, and certainly the directors did not expect to have to meet the shareholders without a dividend on the Preference and Ordinary shares as the consequence of that war. He mentioned in his remarks last year that they were anticipating good business upon the completion of the important improvements which were then approaching, and as a matter of fact their hopes were being realised. It would not surprise the shareholders to hear, however, that very soon after the outbreak of war it became apparent that the effect on the business would be disastrous.

#### Effect of the War.

They must bear in mind that this country had been at war ten months out of the twelve months under review. It was mentioned in the report that the Continental hotels alone showed a deficit in profits of upwards of £30,000 as compared with last year. As a matter of fact, the deficit worked out to nearly £32,000. In November last the Managing Director left for the South of France, having assured himself before he went that there was every prospect of several English people being likely to proceed to the Riviera. After consultation with Mr. Trub on the whole situation, general and local, it was decided to open the Métropole at Monte Carlo and at Cannes. The season opened favourably, and there were many inquiries. Then came the declaration that the German submarines would attack all classes of shipping, and visitors who were going abroad preferred to stay at home. There was nothing left then but to close those hotels as quickly as possible. The Royal Hotel at Dieppe was taken over as a military hospital by the French Government on the outbreak of war. Turning now to the English hotels at Folkestone, Margate, and Broadstairs, there was every indication of a good season's business, but there was a complete collapse on the outbreak of hostilities in August last. Many of those who were staying in the hotels left that part of the coast, and most of those who had booked cancelled their orders. At the Lord Warden Hotel business was practically at a complete standstill in consequence of the military having requisitioned the Port of Dover. At the Royal Pier Hotel, Ryde, business had been much less than usual, as very few people visited the Isle of Wight. At Burlington Hotel, Eastbourne, the usual business had been fairly maintained. Amongst the seaside hotels the Métropole at Brighton was the only one that showed an improved business over that of last year. As regarded the London hotels, the decrease in business had been very considerable, and the proportionate loss was much larger than in the seaside hotels. The reason for that decrease must be apparent to everyone.

#### The Accounts.

Referring to the accounts, he said it might appear to the shareholders that the gross profit on trading was assisted by the sum of £50,807 10s. 9d., transferred to profit and loss account for improvements. This was not so; the gross profit was £82,131 4s. 3d. With regard to the investments, the directors had adopted the figures shown in last year's account and taken the values as at July 27, 1914. As near as could be ascertained the values at the present time would show a further reduction of from £6,000 to £8,000. As soon as the directors realised the disastrous effect the War was having, and would have, on the business of the Company they took the necessary steps to reduce all expenses as far as possible. This action had resulted in a very considerable saving in the total expenditure. At the same time, every care had been taken not to infringe upon the comfort of the visitors, though, of course, in war-time they must expect to suffer some inconvenience. The hotels had been maintained in a proper state of efficiency, although less had been spent in repairs and maintenance than last year. A very considerable percentage of the English staff had enlisted. The French and Italian employees had been at various times recalled to their own country, and they had no enemy alien employees in the service in any of the hotels. The shareholders might have observed in the newspapers that an action which affected all hotels was recently brought against the First Avenue for non-observance of the Shop Hours Act. As they would have gathered from what he had just said, there was considerable difficulty about arranging the staff during this very trying period. In consequence, they asked the County Council to defer raising this very important and far-reaching question for the present. However, they were unable to see their way to do so. As the matter was *sub judice* he could say no more on the subject. In conclusion, the Chairman said it was impossible for him to enter into the region of prophecy, but he might say that the board had every confidence that on return to happier and more normal times the Company would have its full share of any increase in general business that might be going. They were in agreement with some of

the shareholders who had suggested they should prepare for that time and get quit of some of the over-burden of capital which now and for some time past had weighed heavily upon this Company. With that object in view the board were now preparing a scheme which they would in due course place before the shareholders.

Mr. William Coxon (Deputy-Chairman and General Manager) seconded the motion, which was carried unanimously.

Mr. Claud G. Gordon, the retiring director, was re-elected, the auditors (Messrs. Price, Waterhouse and Co.) were re-appointed, and a vote of thanks to the Chairman concluded the proceedings.

### THRELFALL'S BREWERY COMPANY, LTD.

THE twenty-eighth annual general meeting was held at the Cannon Street Hotel, E.C., on July 29, Mr. Charles Threlfall (Chairman of the Company) presiding.

The Chairman said: Before proceeding with the meeting it is my painful duty to state that we have lost, through death, our Mr. William Griffin, who had been associated with the Company ever since it was formed. He had been one of our directors for the last eight years, and his loss we very much regret, as he had the welfare of the business at heart, and always worked most harmoniously with us all. I have now great pleasure in asking you to adopt the directors' report and statement of accounts for year ended June 30, 1915, which, I am sure, you will consider very satisfactory. The gross trading profit for the year amounts to £216,075 7s. 4d., against £209,368 2s. 6d. for 1914, which is an increase of £6,707 4s. 10d. We have written off for depreciation the sum of £56,326 14s. 2d., against £50,599 7s. 2d., being an increase of £5,727 7s., have added £1,000 to the workmen's compensation fund, and carried forward the sum of £40,868 16s.—an increase of £1,176 19s. 2d. over that of the previous year. We have contributed £1,000 to the Prince of Wales's Fund, and £200 to the Belgian Fund, which, I am sure, you will approve. I should like to draw your attention to the following item in the balance sheet, viz., trade creditors and sundry credit balances, for 1915, £94,879 16s. 9d. For 1914 this item amounted to £63,155 7s. 9d., so that there is an increase of £31,724 9s. This increase is principally caused by the alteration in the system of collecting the beer duty, a further credit being allowed by the Government before payment of the same has to be made. I now beg to move: "That the report and accounts be adopted, and that dividends be paid at the rate of 6 per cent. per annum on the Preference shares, and at the rate of 10 per cent. per annum on the Ordinary shares for the half-year ended June 30, which, with the interim dividend at the rate of 8 per cent. per annum, makes 9 per cent. for the year."

Mr. P. J. Feeny, J.P., seconded the motion, which was carried unanimously.

The Chairman then proposed the re-election of Messrs. Thomas Barker and William Basil Feeny as directors of the Company. He said that the few months he had had the pleasure of working with those gentlemen, who had been appointed to fill casual vacancies, made him feel that if the shareholders re-elected them on that occasion it would strengthen the board. They had youth on their side, and, in vulgar language, they had their heads screwed on the right way.

The motion was seconded by Mr. George Barker and unanimously approved.

The Chairman next proposed the re-election of Messrs. George Barker and P. J. Feeny as directors.

Mr. Thomas Barker seconded the resolution, which was carried.

The auditors (Messrs. Broads, Paterson and Company) were reappointed.

Mr. Buzzard, K.C., in proposing a vote of thanks to the directors and staff, said that he was the senior trustee for the Debenture holders. At previous meetings he had stated that he did not think there was any finer security in the country than the Debentures of their Company. (Hear, hear.) When they met last year it was thought they were on the verge of civil war, but no one anticipated that they would be involved in the present catastrophe which had overtaken Europe. He did not suppose that anybody in the room contemplated the fearful war which was now raging throughout Europe or the loss of so many of their friends, the noblest, the bravest, and the best in the land. Through a year of unexampled difficulty, the directors had been able to present them with a satisfactory statement, and, therefore, they could not but congratulate themselves that their Company had survived, and was now in a flourishing and prosperous state, with every promise of a flourishing future. He had always very much regretted that the attack in the way of taxation which had been made on the brewery trade had been driven to such an excess. He felt that the legislation adopted in recent years was entirely contrary to the national character, and the result was to place a heavy taxation upon what was the national drink of the Englishman—a drink which was not only a beverage but also a food. As a result of that attack upon the brewing industry people were driven into the habit of drinking spirits, and in

most cases bad spirits. No one could doubt that that was a great blunder.

The motion was seconded by Mr. John Hedges, and unanimously approved.

A hearty vote of thanks was accorded to the Chairman, and the meeting terminated.

#### THE ELECTRIC SUPPLY CORPORATION, LIMITED.

THE thirteenth annual general meeting of this Company was held on July 29 at Salisbury House, London Wall, E.C., Mr. J. G. B. Stone presiding.

The Chairman, in moving the adoption of the report, said: If you will turn to your report you will note the satisfactory growth in the number of lamp connections from 210,266 to 214,715, though in the case of Chelmsford we have to record a lower figure than last year. The latter is due to the withdrawal of a large customer whom we had supplied at an exceptionally low rate for a number of years, so I am glad to say the reduction in lamp connections at Chelmsford is not accompanied by a corresponding loss in profits. The Hendon Company, in which we are largely interested, progresses most favourably, as evidenced by the handsome dividend we receive on our shareholding. The Dumbarton Tramway pays the same small dividend, but we hope it will ultimately yield us a better return. In connection with Dumbarton, you will remember last year I told you we had arranged for a bulk supply for the town, but as the War caused considerable delay in the delivery of the necessary plant, it is only during the current year that the supply has become of beneficial use to us. I have no doubt shareholders are wondering how we are affected by the War. As regards the sale of current, I do not think we have been adversely affected, as we have had an increased demand for power supply, more particularly in Dumbarton, which is an active centre for shipbuilding and for the production of War munitions. In other places dependent on visitors for their prosperity the ordinary business has been replaced to a large extent by increased trade brought by the billeting of troops. As to the other side of the account, namely, the production of electricity, the actual costs during the year under review have not been very materially affected, though we shall have to face higher prices for skilled and unskilled labour and for coal in future. You will observe in the Renewals Account that we recommend bringing it up to a sum of £10,000, and we propose to continue paying for repairs and renewals out of the early revenue, unless we have to meet some abnormal expenditure. I point out that there is a considerable increase in our bill for repairs, due to renewal of our batteries. Most of our works have now been in operation for about ten years, and a battery does well if it lasts for that period. It was particularly to meet battery repairs that this fund was built up, and it is gratifying to feel that we can carry out such work without trenching upon it. We now propose to inaugurate a general reserve fund, setting aside £3,000 for that purpose. With regard to the dividend, the board do not think it politic to pay more than 2½ per cent. The small additional payment under the present conditions is encouraging, and marks the general improvement in face of the difficult conditions which have prevailed.

Mr. Francis R. Reeves seconded the resolution, which was unanimously adopted.

#### SPIES PETROLEUM COMPANY, LIMITED.

THE sixteenth ordinary general meeting was held on July 29 at Winchester House, E.C., Mr. J. Annan Bryce, M.P., the Chairman, presiding.

The Chairman, in moving the adoption of the report and accounts, said that in the amounts charged to profit and loss account there was an increase of about £23,000 in the items of wages and materials and oilfields expenses. This arose from the larger amount of work done and the rise in wages which followed the strike of 1913. A new item, expenses of mobilisation and war, would be seen; it was necessary in Russia, as at home, for employers to make allowances to men serving with the Forces and their dependants, and donations to Red Cross Funds. For expenses of fires and landslips the large sum of £6,993 appeared, being an increase of over £6,000, due largely to a disastrous fire on Kousmin plot No. 14, of which the expense was about £3,500, including £2,300 for grants to workmen and their dependants for loss of life and property. The expenditure on well-deepening (which they charged to revenue, whereas many companies charged such expenditure to capital) was about £6,000 more than in the previous year, owing to higher wages and the fact that they were working at greater depth. Royalties were larger because of the larger production, but the rate was really one copeck per pood lower, a large part of the production being from a plot on which the royalty was comparatively low. The cost of production was 13.1102 copecks per pood, a fall of about 2 copecks, due to the large fountain production, which entailed no pumping expenses. London charges were about £950 greater; some items were less, but English income tax was nearly £4,000 more. The profit of the year was some £34,000

larger than that of last year, and if exchange had been normal they would have been able to pay a substantial final dividend. It was impossible, however, to contemplate bringing money from Russia under present conditions; it would involve a loss of some 32½ per cent. The directors had anxiously considered whether a dividend could be paid in any other form. They contemplated making a distribution in scrip, but to this course the Treasury Committee on new issues refused sanction. The board considered also the declaration of a dividend with a postponement of payment, but this was not feasible, as the rate of dividend must necessarily depend upon some basis of exchange, which under present conditions it was impossible to settle upon. The only possible course open to them, therefore, was to carry the balance forward, but they would watch the course of exchange and make a distribution as soon as possible. The production during the past year was very good, being nearly 40 per cent. larger than in 1913. The increase was due principally to the fountain on Plot 130. The sales of oil exceeded by nearly 1,000,000 roubles the return of the previous year, although the average price was about one copeck per pood less. With regard to the property, the central plots, Dobrynin, Neklepaieff, and Samcovoï, from which the bulk of the early production was obtained, had for some years been giving only small returns, but recently some of the wells had been deepened, which considerably increased the production, and it was proposed to deepen others. The plot Mistouloff was giving an important production, and it appeared probable that the central plots as a whole would in future give a good return. The Baskakoff plot, once their largest producer, had now fallen to about 10,000 poods daily. With deepening the production might be maintained at something like that figure, but it was not likely to increase unless a prolific stratum was encountered at lower depth. The Kusmin plots, in the eastern part of the old Grozny field, continued to give a fair and slightly increased production from deepened wells. There was plenty of room for further drilling, and the continuance of a good production might be expected from them. Two new wells were being bored on these plots, one of which should shortly come into production. On the South Baskakoff property there were four plots. On 127, the furthest east, in No. 1 well there was trouble with water a year ago. The water was shut off and the well plugged till an adjoining well had been carried to the same depth. The results so far in that adjoining well seemed to prove that the water had been properly shut off by this Company, and they were now getting a fair production, which had lately increased. A second well was being drilled on

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this property. On No. 128 they were getting a fair production from a stratum which in No. 127 produced nothing. On No. 129 a very small quantity of oil was obtained in the strata which yielded oil in other plots, and the well was being deepened. Plot 130 had given them a fountain which flowed for exactly six months, and had since been baled. Its total production exceeded 9,300,000 poods. Three further wells were being drilled on this plot. There was evidence that oil existed in quantity below the stratum now being worked, and, looking at the four plots as a whole, the results were encouraging. In the first six months of the current year the Government had produced 7,253,855 poods, against 6,844,625 poods in the corresponding period, and the deliveries had realised Rs. 2,444,989, against Rs. 1,819,782. The prospects of future production were good, but they could not expect that the total production of 1915 would equal that of 1914, which was so much increased in the second half of the year by the fountain production of Plot 130. The price of crude, which fell from 48 to 24 copecks during the latter half of 1914, began to recover towards the end of the year, and had since steadily improved. It was now 48½ copecks, exceeding the high level reached during the strike at Baku in July 1914.

### BRITISH NORTH BORNEO COMPANY.

THE sixty-fifth half-yearly meeting of this Company was held on July 29 at River Plate House, E.C., the Right Hon. Sir West Ridgeway presiding.

The Chairman, in the course of his speech, said: The conditions under which we meet to-day are very different from those which prevailed on July 14 last year, when few discerned on the horizon the small cloud which gave warning of the devastating storm which in a few days was to burst upon the world. The shadow of the terrible war now being waged has descended upon North Borneo, and, as in all other parts of the Empire, indeed of the world, progress and prosperity have been checked. "Checked," I say, for although we have not made the advance we anticipated, still we have not gone back, and this testifies a great deal to the sound foundation on which the finances of your Territory rest.

#### Effects of the War

Year by year you have been taught to expect a large increase in your revenue, and for the last six years the annual increase has averaged £17,890. In 1913 the increase over the preceding year was nearly £34,000, and we were confident that the year 1914 would furnish a surplus largely exceeding any which had been earned before. This forecast would no doubt have been justified if it had not been for this War, which is devastating the world and threatening the East with convulsion. On the outbreak of hostilities communication was at once cut off between Borneo, Singapore, and Hong Kong, for you may not remember that the service between Singapore and Borneo was entirely, and between Borneo and Hong Kong was mainly, performed by a German company. Originally it was in the hands of an English company, but they sold it to the North German Lloyd without our having a voice in the matter. Fortunately, the government of the Territory was in the hands of a wise and firm administrator (Governor Parr), and he dealt promptly and effectually with the dangerous situation which had thus been created. The prompt steps taken relieved the intense anxiety from which we suffered at that time. Nevertheless, our revenue, as in other Eastern colonies, immediately began to fall, especially the revenue derived from Customs and railways. Exports and imports were also less in value than in 1913 by £212,503. Consequently, all hopes of an increased surplus were destroyed. Indeed, we had reason to fear that there would be no surplus at all. Therefore, considering these adverse circumstances we ought to be well satisfied that the Territory yielded almost the same revenue for 1914 as it did in 1913; that is to say, £34,000 more than in 1912. Could you have any more convincing evidence of the staying-power of the Territory which you govern by virtue of your Royal Charter? It was at this time, when the Territory was thus struggling with difficulties, and when the power of grappling with them was an uncertain factor, that, with the concurrence of my colleagues, I decided to visit the Territory. I arrived there at the end of February, and found that under Mr. Parr's wise administration things had in a great measure righted themselves as regards steamship communication with Singapore and a partial revival of trade. But other troubles beset us. There was a severe drought, which injured agriculture and our rubber and tobacco industries, and at one time threatened severe scarcity of food among the native population. Internal disturbances also broke out. I hope the energetic measures taken have convinced the rebels that further resistance is useless, but, of course, in these days of ferment and disquiet we have to be prepared, and are prepared, for similar risings. The Coal Company had a bad year, or, to be more precise, the last four months of the year were bad, as it was, and still is, very difficult to dispose of the stock of coal, owing to the great difficulty of obtaining freight and to the falling-off in the bunkering business.

#### Confidence in the Future.

When you consider all these adverse conditions, I think you will agree that we have done well to maintain our revenue, and are justified in anticipating the future with confidence. Moreover, the history of the year is not entirely one of stagnation and retrogression. There has been considerable progress under various heads of the administration. Development has progressed, and all the great works in our programme, including the relaying of 40 out of 57 miles of railway and the building of the Papar Bridge—a great engineering feat—have been completed. Jesselton has chiefly benefited, the development works there having absorbed a considerable portion of the money provided by the last Debenture issue. During my recent visit to the Territory I was much struck by the improved appearance of Jesselton, which has, in the short space of a few years, been transformed from a mere out-station to a thriving and prosperous commercial port. The net proceeds of the two Debenture issues of 1912 and 1914 were £868,725. Of this amount £839,247 has been expended. The principal heads of this expenditure are the reconstruction of the railway, £251,274; public works, including the development programme for Jesselton, wireless telegraphy, immigration, &c., £263,058; and the advances to companies, including guaranteed interest, £324,915, the whole of which is recoverable. The advances have been made chiefly to rubber estates, and rubber has flourished in a very satisfactory way. There was an increase of 34 per cent. in the quantity exported from the Territory in 1914, but the value, owing to the fallen prices, decreased by about £18,000. You will be glad to know that Borneo rubber is of the best quality, and invariably commands almost if not the highest prices in the market. On this industry much of the future prosperity of the Company depends, and upon it we have staked much, but I am confident as to the issue. Labour is abundant. There have never been any difficulties under this head. The exports of copra and coconuts show a gratifying increase, and the policy of the Court in fixing a low rental for coconut land is therefore justified. The cutch industry also shows lively signs of revival. Excise has increased, but, of course, nothing like as much as we had hoped. The Court took over sole control of the Excise Department from January 1 this year, and terminated the system of farms which has hitherto obtained. Notwithstanding the restrictions which it is our duty to impose, we look forward with confidence to a substantial increase from this source of revenue. Land settlement is progressing, and the revenue from that source is increasing, and before long will become a substantial item in our revenue returns. One of the chief sources of prosperity in the future, as I have before told you, is our forests. After this War there will be a great demand for timber, of which the supply is diminishing elsewhere. During the year 1914 important progress was made on road construction in the Territory. The search for oil is still being vigorously conducted.

#### Financial Position.

I will now deal with our financial position. The receipts of the year exceed the expenditure by £106,119, against a surplus of £109,696 in 1913. Accordingly, including the carry-over of last year there is a credit balance of £133,563, and after deducting the interest on the Debentures, depreciation, and other charges which should be debited against the revenue, there remains a balance of £70,316. Out of this balance we recommend a dividend of 2½ per cent., which amounts to £46,104. This dividend we have earned during the year under review, and we do not propose to encroach either on our carry-over or on our reserve fund for the purpose of dividend. I daresay many a shareholder, when he read our report, asked the question: "Why only 2½ per cent.? Last year you had only the same surplus and yet you distributed a dividend of 5 per cent." Well, I studied the objections to our drawing on the reserve fund for the purpose of dividend in 1912 when I justified a large addition to it from revenue, and those objections are still more forcible now when the depreciation of the value of our securities, including what we used to call gilt-edged securities, is so much more severe. No attempt has been made this year to estimate the depreciation of these investments in view of the financial situation caused by the War, but there is no doubt—however hopeful we may be—that the depreciation will be great, and therefore we should not be justified in drawing on our reserve fund in order to increase our dividends. In view of the impossibility of disposing of our gilt-edged securities, and of the absolute necessity for financing the subsidiary companies, besides raising a sum large enough to enable us to effect the conversion of our Consols, we are compelled to defer the distribution of the dividend, but I hope not for long. Having quoted figures showing the results directly and indirectly due to the operation of the subsidiary companies on the revenue and general prosperity of the Territory, the Chairman, in conclusion, pointed out that if the Company had not made these advances several companies would have been obliged to cease operations, and this would not only have been detrimental to the development of the country, but have entailed a ruinous and immediate loss of revenue. The estates which they had helped

afforded adequate security for the advances made, and rubber especially was thriving so satisfactorily that the directors had no doubt that in course of time the Company would recover all the money they had advanced. Meantime they were earning good interest.

The report submitted was adopted.

## MINES.

**ABBONTIAKOON.**—Issued capital, £625,457 10s., in 10s. shares. Losses remaining to be cleared off, about £20,000. Crushing recommenced July 1914, with new plant of 25 stamps and two tube mills.

Year ends	Tons	Gold Value	Total	Profit	Price of
Dec. 31	Crushed	£	Expenses	£	Shares
1912	155,603	79,284	71,419	8,875	6/3
1913	162,101	238,698	146,687	88,941	16/5
1914	160,963	251,717	142,219	84,428	12/9
1915.					
Mar. qr.	32,969	59,197	42,819	16,673	10/1
Apr. ...	10,829	25,888	14,474	11,609	21/5
May ...	11,554	21,828	15,245	6,643	11/6
June ...	10,238	20,744	14,121	6,643	13/0

\* Includes £11,857 room tube mill.  
† Includes £10,721 room tube mills.  
‡ Includes £4,010 room tube mills.

Dividends—Account 1914, May, 6d.; Nov., 6d.; Dec., 6d.; June, 6d. Total, 2s.

ABOSSO GOLD.—Issued capital, £400,000, in £1 shares.										
Year ends	Tons	Value		Estimated Expenses		Approximate* Profit		Price end of		
June 30	Stps.	Milled	£	Per Ton	£	Per Ton	£	Per Ton	Period	
1913-14	39av.	87,782	152,303	34/8	12,108	27/9	28,955	6/11	4/3	
1914-15.										
Sept. qr.	40	24,709	45,785	37/1	39,515	31/11	2,996	2/5	—	
Dec. qr.	—	28,535	49,974	35/1	38,756	27/2	7,428	5/2	—	
Mar. qr.	—	28,215	44,102	38/8	34,286	26/2	8,262	6/4	1/2	
Apr. ...	—	9,343	15,639	33/4	11,861	25/6	2,734	5/11	1/2	
May ...	—	9,121	13,519	27/7	9,121	25/9	1,102	2/5	8/9	
June ...	—	9,357	13,251	24/4	—	—	—	—	—	

\* After allowance for depreciation and taxes.

Crushed—dear-up uncrushed owing to shortage of sulphuric acid.

Dividends per cent.—1912, Dec., 5; 1913, Oct., 5.

**ALASKA UNITED.**—Capital \$901,000 in \$5 shares. Recent operating results given below:—

Producing Results Given Above.				Net Mining Profit—		Price of Shares end of Period	
Year to Dec. 31	Ore Crushed Tons	Gold Yield £	Per Ton	Total Costs £	Per Ton	Per Ton	Per Ton
1912 ...	450,793	239,058	10/7	129,933	5/9	109,125	4/10
1913 ...	448,541	233,772	9/1	132,691	5/11	71,091	3/2
1914 ...	458,037	185,729	8/2	154,472	6/9	32,257	1/5
1915.							
Jan. qr.	125,900	55,840	8/10	26,960	5/10	18,880	3/0
Apr. ...	43,800	17,820	8/1	13,400	6/1	4,420	2/0
May ...	46,100	18,880	8/2	14,460	6/3	4,420	1/11
June ...	45,400	15,640	6/1	13,080	5/9	2,560	1/2

Dividends per cent.—1912, 36 per cent. 1913, Feb., 14; May, 12; Aug., 10; Nov., 10. 1914, Feb., 6; May, 4; Aug., 4; Nov., 4. 1915, Feb., 6; May, 8 per cent.

The working costs include 4s. per ton for development and redemption.

**Sons of Gwalia.**—Issued capital, £325,000, in £1 shares.

Year	Tons	Revenue		Total Mine* Expenses		Profit		Price of Shares ended
ends	Crushed	£	Per Ton	£	Per Ton	£	Per Ton	Period
Dec. 31								
1912 ...	155,603	263,929	33/11	205,858	25/5	58,271	7/6	12/4
1913 ...	162,101	270,550	33/4	211,363	26/1	59,187	7/3	22/0
1914 ...	160,963	251,113	31/2	201,670	25/1	49,443	6/1	—
1915.								
Mar. q.r.	40,064	62,177	31/0	43,425	21/8	18,742	9/4	12/4
Apr. ...	13,826	21,467	31/1	15,513	22/5	5,954	8/8	12/3
May ...	13,771	21,331	30/11	15,056	21/10	6,275	9/1	17/3
June ...	13,542	20,311	29/11	14,914	22/0	5,397	7/11	16/6

\* The yearly figures include expenditure on capital account. Monthly expenses include development.

Dividends—1912, 4/3; 1913, 4/0; 1914, 2/6; 1915, Feb. 6d.; June, 6d.

**Golden Horse-Shoe.**—Capital, £1,500,000 (£5 shares). There are £81,300 of Six per Cent. First Mortgage Debentures outstanding.

Year ends Dec. 31	Tons (2,000lb.) Crushed	Expenses, Development and Capital						Price end of Period
		Value		Outlay		Net Profit		
		£	Per Ton	£	Per Ton	£	Per Ton	
1913	314,173	414,441	24/4	384,153	24/5	30,198	1/11	2½
1914	310,219	389,134	25/1	365,479	25/7	23,655	1/6	—
1915.								
Mar. gr. ...	68,301	106,149	31/1	85,948	25/2	20,201	5/11	2½
Apr. ...	23,143	37,118	30/9	28,907	24/11	8,211	7/10	2½
May ...	21,497	38,135	32/10	29,233	25/2	8,902	7/8	2½
June ...	24,975	39,332	32/9	30,294	25/3	9,038	7/6	2½

Dividends—1910, March, 5/0 per share.

1913, Oct., 5/0 per share.

1915, May, 3/0 per share.

**Shamva.**—Issued capital £600,000, in £1 shares.

1914.	Tons	Value	Per	Ex-	Per	Profit	Per	Price
	Crushed	£	Ton	penses*	Ton	£	Ton	Share
Feb. ...	18,73	5,461	—	—	—	—	—	2 1/2
Mar. ...	31,855	14,233	—	—	—	—	—	2 1/2
June qr.	132,529	78,248	11/10	51,235	7/10	27,012	4/0	2 1/2
Sept. qr.	125,132	87,450	13/10	52,709	8/4	34,741	5/6	—
Dec. qr.	140,721	87,665	12/5	52,472	7/5	35,196	5/0	—
Say 11 mos.	443,315	271,636	12/1	181,431	8/1	90,175	4/0	—
1915.								
Mar. qr.	135,821(a)	95,701	14/1	56,595	8/4	39,106	5/9	1 1/2
Apr. ...	49,145	38,541	15/6	19,585	7/10	18,956	7/8	1 1/2
May ...	49,151	38,956	15/10	19,472	7/11	19,484	7/11	1 1/2
June ...	49,955	39,077	15/8	20,351	8/2	18,726	7/6	1 1/2
June qr.	148,201	116,574	15/9	53,408	8/0	57,166	7/9	1 1/2

\* Inclusive of royalty, average about 3.6d. per ton crushed.

(a) Decreased tonnage due to heavy rains early part of year.

Dividends—1915, March, 5; June, 7 1/2 per cent.

**BRITISH OIL AND CAKE MILLS.**—Interim dividend on Ordinary shares of 5 per cent., less tax.

**COUNTY OF LONDON ELECTRIC SUPPLY COMPANY.**—Interim dividend on Ordinary shares at the rate of 5 per cent. per annum, less tax.

**PERRY AND COMPANY.**—Interim dividend on Ordinary at the rate of 5 per cent. per annum, tax free.

**SILANGOR UNITED RUBBER ESTATES.**—Dividend of 5 per cent., less tax, which is equivalent to 1 1/2d. per share on the Vendor shares, and 1d. per share on the Subscribed shares.

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"The Canadian Newspaper for Investors."

Is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study this paper regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, etc., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

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HEAD OFFICE—TORONTO, CANADA.

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## BANK OF MONTREAL

Established in 1817.  
Capital Paid up, \$16,000,000.  
Reserve Fund, \$16,000,000.  
Undivided Profits, \$1,252,864.  
H. V. Meredith, Esq., President.  
R. B. Angus, Esq., E. B. Greenhields, Esq., Sir William Macdonald, Hon. Robert Mackay, Sir Thos. Shaughnessy, K.C.V.O., C. R. Hosmer, Esq., A. Baumgarten, Esq., O. B. Gordon, Esq., H. R. Drummond, Esq., D. Forbes Angus, Esq., William McMaster, Esq.  
Head Office: Montreal.  
General Manager: Sir Frederick Williams-Taylor.  
I.L.D. Assistant General Manager: A. D. Braithwaite, Esq.  
Branches and Agencies throughout Canada and Newfoundland; also at New York, Chicago and Spokane in the United States, and at Mexico City.  
LONDON OFFICES:

47 Threadneedle Street, E.C., and  
9 Waterloo Place, Pall Mall, S.W.

London Committee: Sir Thomas Skinner, Bart.,  
A. Macnider, Esq.  
Manager: George Cyril Cassels.

Financial Agents of the Government  
of the Dominion of Canada.

The Bank undertakes monetary business with all parts of Canada, Newfoundland and the United States, and issues Sterling and Currency Drafts and Cable Transfers.

## THE ROYAL BANK OF CANADA.

Capital Authorised - \$25,000,000  
Capital Paid up - \$11,560,000  
Reserve Funds - \$13,000,000  
Aggregate Assets - \$180,000,000

Head Office—MONTREAL.

Sir HENRIET S. HOLT, E. L. PEASE,  
President, Vice-President and General Manager.  
340 Branches in Canada and Newfoundland.  
28 Branches in Cuba, Porto Rico and Dominican Republic.

BRANCHES IN BRITISH WEST INDIES.  
ANTIGUA—St. Johns; BAHAMAS—Nassau; BARBADOS—Bridgetown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; ST. KITTS—Basseterre; TRINIDAD—Port of Spain; San Fernando.

Branch in British Honduras—BELIZE.  
Branches in British Guiana—GEORGETOWN, NEW AMSTERDAM, ROSE HALL.

New York Agency, Corner William & Cedar Streets.  
LONDON OFFICE:  
2 Bank Buildings, Princes Street, E.C.  
JAMES MACKIE, Joint Manager.

## The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,356  
Reserve Fund & Undivided Profits (\$7,245,140) £1,488,727

Head Office: Montreal.

PRESIDENT—SIR H. MONTAGU ALLAN, K.C.O.  
VICE-PRESIDENT—K. W. BLACKWELL.  
GENERAL MANAGER—E. F. HEBDEN.

This institution has 209 Branches and Agencies extending from the Atlantic to the Pacific (92 being in the Western Provinces).

Every facility offered to the business of immigrants; Savings Department at all Branches, where interest is allowed at 3 per cent. per annum.  
Drafts sold available in any city or banking town in the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.  
The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable Transfers available at any banking point in Canada.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)  
Authorised Capital, £1,000,000. Subscribed Capital, £500,000.

Paid-up Capital ..... £500,000  
Reserve Fund ..... 510,000

Unpaid Capital ..... £1,010,000  
Reserve Liability of Shareholders ..... 625,000

£1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## The BANK OF TAIWAN, LTD.

(Incorporated by the Special Charter of the Imperial Japanese Government, 1889.)

Head Office: TAIPEH, FORMOSA.

BRANCHES:—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-Kong, Kiukiang, Shanghai, Singapore, Swatow, and every Important City in Formosa (Taiwan), &c.

The Bank is authorised TO ISSUE ITS OWN NOTES in Formosa, conducts GENERAL BANKING AND EXCHANGE BUSINESS, has CORRESPONDENTS at principal commercial centres, and offers SPECIAL EXCHANGE FACILITIES for Japan, Formosa, China and the Straits Settlements.

London Office: 58 OLD BROAD STREET, E.C.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised ... £1,500,000  
Capital Issued ... 1,125,000  
Capital Paid Up ... 562,500  
Reserve Fund ... 500,000

Branches:

INDIA, BURMAH, CEYLON  
STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Deposits received for one year at 4 per cent. per annum. Rates for other periods on application.  
On current accounts in credit is allowed at 2 per cent. per annum or daily balances.

## NATIONAL BANK OF NEW ZEALAND

LIMITED.

HEAD OFFICE—LONDON.

AUTHORISED CAPITAL ... £3,000,000  
SUBSCRIBED CAPITAL ... 2,250,000  
PAID-UP CAPITAL ... 750,000  
RESERVE FUND ... 685,000  
UNPAID CAPITAL ... 1,500,000

Receives Deposits of £50 and upwards, for 1, 2 or 3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances granted, and Bills on New Zealand purchased or sent for collection.

H. FRESHWATER, Secretary and London Manager.  
17 Moorgate Street, London, E.C.

## THE EASTERN BANK, LIMITED.

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000  
Called up ... £600,000  
Reserve Fund ... £55,000  
Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T. (Chairman).

Sir JACOB E. SASSOON, Bart. EMILE FRANCOU, Esq.  
J. C. GEORGE BOULANGER, Esq. J. S. HASKELL, Esq.  
G. BROMLEY-MARTIN, Esq. J. LEIGHT WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

T. H. SUTTON, Manager.

## BANCO ESPAÑOL DE LA ISLA DE CUBA.

ESTABLISHED 1866.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,740,000  
Assets - \$39,354,000

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKVEREIN.  
KLEINWORT, SONS & Co.  
LLOYDS BANK LTD.

## THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. P. SHANBACKER.

Vice-President—JAMES HAY

Vice-President—FRANK G. ROGERS.

Cashier—R. J. OLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—C. P. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—  
"FOURBANK." SAMUEL MONTAGU & CO.  
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## NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and Uganda.

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BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya	
Bombay	Chittagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Mandalay	Nairobi	British
Cawnpore	Aden	Nakuru	East
Lahore	Aden Point	Kisumu	Africa
Amritsar	Colombo	Entebbe	
Delhi	Kandy	Kampala	Uganda
Tuticorin		Junja	

SUBSCRIBED CAPITAL ... £2,000,000  
PAID-UP CAPITAL ... £1,000,000  
RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

## THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which are incorporated the Bank of Africa, Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South Africa in the Transvaal, Natal and Orange Free State.

Bankers to the Imperial Government in South Africa.

London Offices—Circus Place, London Wall, E.C., and 117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

## RUSSIAN & ENGLISH BANK

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000

Reserve Fund, £126,000.

English Members of the Council of the Bank—Lord Balfour of Burleigh, K.T., Rt. Honble. Austen Chamberlain, M.P., Sir Ian H. Amory, Bart.

The Bank transacts every description of Banking Business; collects Cheques, Bills, Documentary Bills in all parts of the Russian Empire. Undertakes the Agency of Banks and the purchase and sale of Russian Stocks and Shares.

London: Boulton Bros. & Co., 39 Old Broad St., E.C.

Agents: Lloyds Bank Limited and Branches.

Telegraphic Address: Britorusse, Petrograd.

# The Statist,

A Journal of Practical Finance and Trade.

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London Agency—

94 GRACECHURCH STREET, E.C.

Paid-up Capital ... .. Chilian Dollars.  
Reserve Fund ... .. \$40,000,000  
Reserve Liability of Shareholders ... 22,000,000  
40,000,000

Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.

The London Agency transacts every class of Bank-  
ing business with Chile. Current accounts also  
opened and deposits received.

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Subscribed and Paid-up Capital ... £P.500,000  
Reserve Fund ... .. £P.300,000

#### BRANCHES IN:

Piura,	Callao,	Mollendo,
Chiclayo,	Cerro de Pasco,	Arequipa,
Pacasmayo,	Chincha Alta,	Cuzco,
Trujillo,	Ica,	Iquitos,
Huaras,	Huancayo,	Huacho.

Letters of Credit, Drafts and Cable Transfers  
issued. Bills negotiated, advanced upon, or sent  
for collection.

London Agents: The Anglo-South American  
Bank, Ltd., Old Broad St., London, E.C.

### LONDON BANK of AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital ... .. £1,276,747 10 0  
Paid-up Capital ... .. 669,587 10 0  
Reserve Fund and Undivided  
Profits ... .. 328,317 13 0

Reserve Liability of Proprietors 607,160 0 0

Remittances made by Cable, Drafts, Letters of  
Credit and Circular Notes issued upon Branches  
and Agents. Bills on Australasia negotiated or sent  
for collection. Deposits received for periods and  
at rates which may be ascertained on application,  
and every description of Banking business con-  
ducted with Australia.

### HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000  
RESERVE FUNDS.  
STERLING RESERVE,  
held in London at Ex-  
change of 2s. per \$  
= £1,500,000 Sterling,  
invested in Consols  
and other Sterling  
Securities ... .. \$15,000,000  
SILVER RESERVE ... .. 18,000,000  
\$33,000,000

RESERVE LIABILITY OF PRO-  
PRIETORS ... .. \$15,000,000

COURT OF DIRECTORS and HEAD OFFICE  
IN HONGKONG.

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Sir Thomas Jackson, Bart., Chairman.  
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Deposits received for fixed periods at rates which  
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9 Gracechurch Street, London, E.C.

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CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410

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dends Collected. Drafts issued on all parts of the  
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changed, approved Bills negotiated, Bills collected  
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Special facilities for the remittance of Settlers' funds.

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Africa in Cape Province; to the Imperial Govern-  
ment in South Africa; and to the Administration  
of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100  
PAID-UP CAPITAL ... .. £1,548,525  
RESERVE FUND ... .. 2,000,000  
UNCALLED CAPITAL ... .. 4,645,575  
£8,194,100

#### BOARD OF DIRECTORS—

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Sir David Miller Barbour, K.C.S.I., K.C.M.G.	William Smart, Esq. Right Hon. Lord
Robert E. Dickinson, Esq.	Sydenham, G.C.S.I., G.C.M.G., G.C.I.E.
James Fairbairn Finlay, Esq., C.S.I.	Rt. Hon. Lord Welby, P.C., G.C.B.

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Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

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SOUTH AND EAST AFRICA.

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Free State, Transvaal, Rhodesia, Nyasaland,  
East Africa Protectorate, Uganda, Zanzibar,  
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and the Bank's Agencies in Hamburg, New York,  
and elsewhere.

CURRENT ACCOUNTS are opened on the usual  
terms.

DEPOSITS RECEIVED for fixed periods at rates  
which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on  
the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF  
CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.  
PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose  
the transactions of any of its customers.

NOEL JENNINGS, London Manager.

### BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place,  
Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Conso.

Sub-Managers: {A. Rossi.  
{R. B. Handley.  
{G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari,  
Biella, Bologna, Brescia, Cagliari, Catania, Como  
Florence, Genoa, Leghorn, Messina, Naples, Padua,  
Palermo, Parma, Perugia, Pisa, Rome, Salerno,  
Sassari, Savona, Sestri Ponente, Syracuse, Turin,  
Venice, Verona; AND AGENCIES IN NUMEROUS  
OTHER TOWNS.

#### CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANÇAISE  
et ITALIENNE POUR L'AMÉRIQUE DU SUD,  
Buenos Aires, Rio de Janeiro, San Paulo, Santos,  
&c., and

SOCIETÀ COMMERCIALE D'ORIENTE,  
Milan and Tripoli.

Agents and Correspondents in all parts of the world.

### THE RUSSO-ASIATIC BANK.

Incorporated by Imperial Russian Government  
Decree.

Capital Authorized Rbls. 55,000,000  
Do. Subscribed Rbls. 45,000,000=say £4,745,000  
Do. (Subscribed  
by the Imperial  
Chinese Govern-  
ment) Kouping Taels 3,500,000=say £520,000  
Reserve Funds Rbls. 23,600,000=say £2,500,000  
£7,765,000

HEAD OFFICE: AT PETROGRAD.

Branches at all the principal Towns in Russia,  
Manchuria, Siberia, Central Asia and China; also  
at Paris, Bombay, Calcutta, Hongkong and Yoko-  
hama.

Interest (paid quarterly) allowed on Fixed Deposit  
Accounts for one year and over at 4 per cent. per  
annum; for shorter periods, and on current ac-  
counts, at rates to be learnt on application.

Banking business transacted of every description.

CHANTREY INCHBALD, London Manager.

64 Old Broad Street,  
London, E.C.

### UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.

Paid-up Capital ... .. \$5,000,000  
Rest and Undivided Profits ... .. \$3,600,000  
Total Assets over ... .. \$80,000,000

The Bank has over 300 Branches in Canada and  
Agents in the principal Cities in AMERICA

London Committee:

J. Leigh Wood, Esq., C.M.G.;  
Hon. Sidney Peel; F. W. Ashe, Esq.

Deposits received for fixed periods at favourable  
rates, which may be ascertained on application to  
LONDON OFFICES {26 PRINCES STREET, E.C.  
{26 HAYMARKET, S.W.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital ... .. Yen 48,000,000  
Capital Paid up ... .. „ 30,000,000  
Reserve Fund ... .. „ 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien	Kobe	New York
Bombay	Liao Yang	Osaka
Calcutta	London	Ryojun (Port
Changchun	Los Angeles	Arthur)
Dairen (Dalny)	Lyons	San Francisco
Hankow	Fengtien	Shanghai
Harbin	(Mukden)	Tientsin
Hong Kong	Nagasaki	Tokio
Honolulu	Newchwang	Tsingtau

The Bank buys and receives for Collection Bills  
of Exchange, issues Drafts and Telegraphic Trans-  
fers and Letters of Credit on above places and else-  
where, and transacts General Banking Business.

Deposits received for fixed periods at rates to be  
obtained on application.

K. TATSUMI, Manager.

London Office—  
7 Bishopsgate, E.C.

# NEW ZEALAND.

A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.

An Ideal country for the farmer, the percentage of grain and lambs being phenomenally high.

New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.

**NEW ZEALAND is rich in COAL, IRON, TIMBER, GUM, GOLD and SILVER.**

**Total yield of Minerals, over One Hundred and Twenty Million Pounds.**

Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of Interest.

The Railways, 3,000 miles, Telegraphs and Telephones, 124,000 miles, are owned and operated by the State.

New Zealand has the highest wealth-rate and the lowest death-rate in the World.

To those desirous of making a home in a new country New Zealand offers solid advantages.

Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.

Full information is supplied free by

**THE HIGH COMMISSIONER FOR NEW ZEALAND,**  
13 Victoria Street, Westminster, London, S.W.



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## A FRESH GIFT TO LONDONERS.

We all want to know where to go and how to get there and what it costs. In order to get information of this sort we have to ask innumerable questions and not always of the right people to get the right answer.

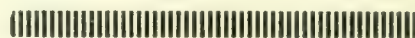
To save some of this trouble and to keep everyone advised of what's doing, the Underground and the London General Omnibus Co. are issuing at intervals leaflets called

### "LONDON TRAFFIC NOTES AND NEWS."

In these leaflets are particulars of all the important recent changes and improvements in the routes, fares and services provided.

The leaflets are placed in the trains and in the buses. The inspectors and time keepers on the road and the staff at the stations will assist you to get a copy.

The London General Omnibus Co., Ltd.,  
Electric Railway House,  
Broadway, Westminster, S.W.



## WHERE COPIES OF THE "STATIST" CAN BE OBTAINED ABROAD.

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## Wesleyan & General Assurance Society.

ESTABLISHED 1841. INCORPORATED 1914.

Chief Offices ... BIRMINGHAM.

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Accumulated Funds Exceed **£2,300,000.** Claims Paid Exceed **£7,500,000.**

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A. L. HUNT,  
General Manager.

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To the British manufacturer with capital Australia offers a remarkable field for enterprise. ¶ Australia's raw material is as varied in character as it is unlimited in quantity. Further, it is cheaply won. ¶ The Australian people are extremely prosperous, and are, in consequence, liberal spenders. Already the Commonwealth is Great Britain's third best market. ¶ But under the Revised Tariff the Australian manufacturer gets a substantial protection. The Australian people are showing a growing preference for home-made goods. The British manufacturer will do well to consider the establishment of branch factories in Australia. ¶ Australia is rapidly filling up her empty spaces. The most pronounced movement to-day is the spread of farming. More farmers mean more production, more wealth and more people—an ever-expanding market. Now is the time for the manufacturer to establish himself inside the tariff.

For particulars apply to—

**The High Commissioner for Australia,**  
72 VICTORIA STREET, LONDON, S.W.

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EGYPT, CEYLON, INDIA, PERSIAN  
GULF, EAST AFRICA, MAURITIUS,  
BURMAH, STRAITS, CHINA, JAPAN  
AND AUSTRALIA.

### WELL-APPOINTED STEAMERS.

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JRAY, DAWES & Co., 23 Great Winchester  
Street, E.C., and 16 Northumberland Avenue,  
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Pall Mall, S.W.

## PRUDENTIAL ASSURANCE COMPANY, LIMITED.

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - **£90,000,000**  
CLAIMS PAID - **£118,000,000**

## NATIONAL TRUST COMPANY, LTD.

HEAD OFFICE: TORONTO, CANADA.

BRANCHES:  
Montreal, Winnipeg, Regina, Saskatoon, Edmonton.

Paid-up Capital - **\$1,500,000.**  
Reserve Fund - **\$1,500,000.**

Acts as Executor and Trustee and, as  
Agent for clients and corporations,  
invests funds in carefully selected First  
Mortgages on farms and improved city  
properties in Canada—Exceptional facili-  
ties offered for investing British Capital—  
Also Guaranteed Trust Investments.

Correspondence invited

28 Bishopsgate, A. I. MUNNS,  
London, E.C. London Representative.  
References:—  
Bank of Scotland, Canadian Bank of Commerce.

The SUBSCRIPTION LIST will be OPENED on 6th August, and will be CLOSED on or before 11th August, 1915.

# LONDON & NORTH WESTERN RAILWAY COMPANY.

## ISSUE OF £1,500,000 FOUR-AND-A-HALF PER CENT. REDEEMABLE PREFERENCE STOCK.

To be Redeemed at Par (£100 per Cent.) on 30th June, 1925.

### PRICE OF ISSUE £96 PER CENT.

Dividend on the full amount of Stock allotted will accrue from 1st July, 1915.

The Stock will rank as to *dividend* *pari passu* with the existing Four per Cent. Preference Stock of the Company.

The Dividend on the Stock will be payable half-yearly, on the 1st July and 1st January, by warrant which will be sent by post unless otherwise directed. A final dividend will be paid on 1st January next.

Trustees are authorised to make in this Stock, subject to the provisions set forth in the Trust Deed of 1892.

#### Messrs. GLYN, MILLS, CURRIE and CO.

are authorised by the Directors of the London and North Western Railway Company to receive applications for the above-mentioned Stock at the price of £96 per cent., payable as follows:

£5 per cent. on application and £91 per cent. on 30th August.

In default of payment of the balance the allotment will be subject to cancellation, and the amount previously paid will be liable to forfeiture.

**Applications, which must be accompanied by a deposit of £5 per cent., should be made to Messrs. Glyn, Mills, Currie and Co., 67 Lombard Street, London, E.C.**

Applications must be for multiples of £10 Stock. No allotment will be made of a less amount than £10 Stock.

In case of partial allotment the balance of the amount paid as deposit will be applied towards payment for the Stock allotted. Should there be a surplus after making that payment such surplus will be refunded by cheque.

Applications from existing holders of Perpetual Debenture, Consolidated Guaranteed, Consolidated Preference, Preference (1902), and Consolidated (Ordinary) Stocks will have preferential consideration.

Allotment Letters, with receipt appended, should be sent to the Secretary's Office, Euston Station, London, for registration not later than the 15th November, 1915. No dividend will be paid in respect of any holding until the Allotment Letter has been received for registration.

A Form of Renunciation will be attached to the Allotment Letter.

A commission of 5s. per cent. will be allowed to Bankers and Brokers on allotments made in respect of applications bearing their stamp.

Application for a quotation will in due course be made to the Committee of the London Stock Exchange.

Prospectuses and Forms of Application may be obtained from Messrs. Glyn, Mills, Currie and Co., 67 Lombard Street, London, E.C.; Messrs. Harris and Co., 21 Birch Lane, London, E.C.; or from the Secretary of the Company, Euston Station, London, N.W.

The Treasury has been cancelled under the Notification of the

18th January, 1915, and *read as objection to this issue. It must be distinctly understood that, in considering whether they have or have not, any objections to new issues, the Treasury does not take any responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.*

5th August, 1915.

THIS FORM MAY BE USED.

No. . . . . Applications should be forwarded direct to Messrs. Glyn, Mills, Currie and Co., 67 Lombard Street, E.C.

#### LONDON AND NORTH WESTERN RAILWAY CO.

Issue of £1,500,000 Four-and-a-half per Cent. Redeemable Preference Stock at £96 per cent.

TO THE LONDON AND NORTH WESTERN RAILWAY COMPANY, Care of Messrs. Glyn, Mills, Currie and Co., 67 Lombard Street, London, E.C.

I, . . . . . hereby request you to allot to me . . . . .

of the above-mentioned Stock in terms

of the Prospectus of the 5th August, 1915, and . . . hereby agree

to accept the same or any less amount that may be allotted to me.

The sum of £ . . . . ., being the amount of the required deposit at the

rate of 45 for every £100 applied for, is enclosed herewith, and

. . . . . hereby engage to pay the balance when due on any allotment

that may be made in respect of this application, as provided by the

said Prospectus.

Usual Signature . . . . .

Name in full . . . . .

Address . . . . .

Occupation or Description . . . . .

Please write distinctly. Date . . . . ., 1915.

\*Applications must be for not less than £10 Stock, and must be for multiples of £10 Stock.

All cheques to be made payable to bearer and crossed, and when altered from "Order" to "Bearer" the alteration must be signed by the drawer. A separate cheque must accompany each application. An acknowledgment will be forwarded in due course, either by Allotment Letter or by return of the deposit.

## IMPERIAL JAPANESE GOVERNMENT FOUR-AND-A-HALF PER CENT. LOAN. FIRST SERIES.

NOTICE IS HEREBY GIVEN that the Coupons due 15th August, 1915, will be paid on and after the 16th instant (Saturdays excepted), between the hours of 11 and 5, by the Yokohama Specie Bank, Limited, where lists may be obtained. Coupons must be left three clear days for examination prior to payment.

For the Yokohama Specie Bank Limited,  
K. TATSUMI, Manager.  
7 Bishopsgate, London, E.C.,  
3rd August, 1915.

## THE GRAND TRUNK PACIFIC RAILWAY COMPANY.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company, so far as regards the Four per Cent. Debenture Stock, will be Closed from Monday, the 9th August, to Tuesday, the 31st August, 1915, both days inclusive. Warrants for the interest for the half-year ending 31st August, 1915, will be forwarded on that date to all proprietors of this stock registered on the books of the Company on the 9th August, 1915.

By Order,  
H. H. NORMAN,  
Secretary, London Committee.  
Dashwood House,  
9 New Broad Street, London, E.C.,  
30th July, 1915.

## THE ANGLO-EGYPTIAN BANK, LIMITED.

SUBSCRIBED CAPITAL ... £1,500,000.  
PAID UP, £500,000. RESERVE FUND, £680,000.

BRANCHES: Alexandria, Cairo, Beni-Suef, Mansourah, Port Said, Tantah, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England. The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4½ per cent per annum.

On current accounts, Interest at the rate of 2 per cent per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clement's Lane, Lombard Street, E.C.

## HOLBORN AND FRASCATI, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Preference Shares of the above Company will be Closed from the 18th to 31st August, both days inclusive, for the purpose of preparing Dividend Warrants payable on and after the 1st September next.

By Order,  
ARTHUR G. CHIFFERIEL,  
Secretary.  
32 Oxford Street, W.,  
28th July, 1915.

## DOMINION OF CANADA FOUR PER CENT. REGISTERED STOCK, 1940-60, and TWO-AND-A-HALF PER CENT. INSCRIBED STOCK, 1947.

For the purpose of preparing the Interest Warrants due 1st October, 1915, on the above-mentioned Loans the balances will be struck on the evening of the 1st September, 1915, after which date the Stock will be transferred ex-dividend.

For the Bank of Montreal,  
G. C. CASSELS, Manager.  
47 Threadneedle Street, E.C.,  
3rd August, 1915.

## NORFOLK AND WESTERN RAILWAY COMPANY.

The Board of Directors has declared a Quarterly Dividend of One per cent. upon the Adjustment Preferred Stock of the Company, payable at the Office of the Company, Commercial Trust Buildings, Philadelphia, Pa., on and after August 19, 1915, to the Adjustment Preferred Stockholders as registered at the close of business July 31, 1915.

E. H. ALDEN, Secretary.

## McINTYRE, HOGG, MARSH AND CO., LIMITED.

NOTICE IS HEREBY GIVEN that the Share Register of Transfers of the above Company will be Closed from August 2nd to August 15th (both dates inclusive) for the preparation of Dividend Warrants.

By Order of the Board,  
H. T. MUGGERIDGE, Secretary.  
2, 3, and 4 New Basinghall Street,  
London, E.C.,  
July 31st, 1915.

## TENDERS.

### THE SOUTH INDIAN RAILWAY COMPANY, LIMITED, are prepared to receive Tenders for the supply of:—

1. STEEL TYRES FOR LOCOMOTIVES.
2. STEEL BOILER TUBES.
3. STEEL BOILER PLATES.

Specifications and Forms of Tender may be obtained at the Company's Offices.

Tenders, addressed to the Chairman and Directors of the South Indian Railway Company, Limited, marked "Tender for Steel Tyres," or as the case may be, must be left at the Offices of the Company not later than 1 o'clock on Wednesday, the 18th August, 1915. The Company is not bound to accept the lowest or any tender.

A charge, which will not be returned, will be made of 2s. for each copy of Specification No. 1 and 10s. for each copy of Specifications Nos. 2 and 3.

Copies of the drawings may be obtained on payment at the Office of Robert White, Esq., M.Inst. C.E., Consulting Engineer to the Company, 3 Victoria Street, S.W.

NEVILLE PRIESTLEY,

Managing Director.

91 York Street, Westminster, S.W.,

4th August, 1915.

## NATIONAL BANK OF EGYPT

(Established by Khedival Decree, June 1898, with the exclusive right to issue Notes payable at sight to bearer.)  
Capital, £3,000,000 (in 300,000 Shares of £10 each, fully paid). Reserve Fund, £1,500,000.

Governor—F. T. Rowlett, Esq., Head Office—Cairo, London Committee—

E. W. P. Foster, C.M.G., Hon. Algernon Mills.

Hon. Hugo Baring, Sir Carl Meyer, Bart.

Hon. Sidney Peel.

LONDON AGENCY—

3 & 4 LOTHBURY, LONDON, E.C.

Manager—J. T. Peaty-Powell.

Assistant Manager—A. F. Gulliver.

Accounts opened with traders and private persons. Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria, Assiut, Assuan, Benha, Beni-Suef, Chibin-El-Kom, Damour, Fayoum, Keneh, Luxor, Mansourah, Minieh, Mousky (Cairo), Port Said, Sohag, Tantah and Zagazig; and in the Sudan at Khartoum, Port Sudan, and Suakin.

CANADA.

# THE DOMINION BANK.

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000.

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.  
C. A. BOGERT, General Manager.

## LONDON BRANCH, 73 CORNHILL, E.C.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.  
General Banking Business transacted. Information  
furnished regarding Canadian matters.

### CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

38, Bishopsgate, London, E.C.

Incorporated by Royal Charter.

Capital, £1,200,000. Reserve Fund, £1,800,000.

Court of Directors.

Sir Montagu Cornish Turner, Chairman.  
Sir Henry Stewart Cunningham, K.C.I.E.  
Thomas Cuthbertson, Esq.  
Sir Alfred Dent, K.C.M.G.  
William Henry Neville Goschen, Esq. #  
The Rt. Hon. Lord George Hamilton, G.C.S.I.  
William Foot Mitchell, Esq.  
Lewis Alexander Wallace, Esq.  
Managers, T. H. Whitehead and T. Fraser.  
Sub-Manager, W. E. Preston.

**BANKERS.**—The Bank of England; The London City and Midland Bank, Limited; The London County and Westminster Bank, Limited; The National Provincial Bank of England, Limited; The National Bank of Scotland, Limited.  
The Corporation buy and receive for collection Bills of Exchange, grant Drafts, and Transact General Banking business connected with the East.

Deposits of money are received for fixed periods on terms which may be ascertained on application; interest payable half-yearly, 30th June and 31st December.

### ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).

Head Office: 38 Lombard Street, E.C.

Subscribed Capital	£1,078,875	0	0
Paid-up Capital	539,437	10	0
Further Liability of Proprietors	539,437	10	0
Reserve Fund	350,000	0	0

LETTERS OF CREDIT AND DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER, BILLS NEGOTIATED or forwarded for COLLECTION, BANKING and EXCHANGE business of every description transacted with Australia  
E. M. JANION, Manager.

EXECUTORS, TRUSTEES, SOLICITORS and OWNERS selling Works of Art, Family Jewels, Old Silver, Furniture, Pictures, Prints, Miniatures, China, Coins, Books, Old Lace, Furs, Musical Instruments, Guns, Trade Stocks and other valuables are informed that Messrs.

**KNIGHT, FRANK & RUTLEY'S**  
Sale Rooms, 20 HANOVER SQUARE, W.,  
are Open Daily to receive Goods intended for

Public Sale.  
Auctions on Owners' premises in all parts of the country are held as required.

## THE STOCK EXCHANGE.

NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the  
Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

## NOTICE.

### TRADING WITH THE ENEMY AMENDMENT ACT, 1915.

Public Trustee—Custodian for England and  
Wales of Enemy Property.

The attention of Bankers, Traders, and Others is directed to the provisions of the New Act, which further amends the law relating to trading with the enemy. Special attention is directed to the following requirements:

1. Dividends and interest payable in respect of all classes of securities held for enemies are now payable to the Custodian. Under the provisions of the new Act interest on securities issued by or on behalf of British, Colonial, or Foreign Governments or Corporations or Municipal or other Authorities and moneys representing the payment off of the capital of any securities are payable to the Custodian. The duty of making such payments to the Custodian and of furnishing him with the necessary particulars rests with the person, firm or company through whom the payments in the United Kingdom are made.

Accountable parties should apply to the Public Trustee for Receivable Order "A," upon which the return should be made. No money should accompany the Receivable Order, but a Warrant directing payment will be issued in due course.

N.B.—Where Coupons or Drawn Bonds to Bearer are held for the accounts of enemy persons the holder should apply to the Office of the Parliamentary Counsel, Whitehall, S.W., for a Licence authorising the presentation for payment of such instruments, and should apply to the Public Trustee for copies of Receivable Order "A," which should be completed and handed to the paying authority, upon whom the duty will then fall to account to the Custodian.  
2. The obligation to register property with the Public Trustee under Section 3 (1) of the earlier act is now extended to (a) bank balances and deposits; (b) debts to the amount of £50 and upwards.

All persons, firms, or companies with whom enemies have bank balances or deposits, or who owe £50 or more to enemies (apart from those dividends, &c., payable to the Custodian) should apply to the Public Trustee for Registration Order "B."

N.B. The Act provides that the liability to disclose property of any nature held for enemies shall apply to companies as well as to persons and firms.

Companies who have not already disclosed property under Section 3 (1) of the old Act should therefore apply to the Public Trustee for Registration Order "B."

The term "enemy" means any person, or body of persons, of whatever nationality, resident or carrying on business in the enemy country, but does not include persons of enemy nationality who are neither resident nor carrying on business in the enemy country.

Attention is called to the penalties fixed by the Trading with the Enemy Amendment Act, 1914, for non-compliance with the requirements thereof, and to the fact that such penalties will also apply for non-compliance with the requirements of the present Act.

C. J. STEWART, Public Trustee  
Custodian for England and Wales

2 Clement's Inn, Strand, W.C.

Trading with the Enemy Department.  
July, 1915.

## PERRY'S

**TRADE PROTECTION OFFICES**  
(Established 1776),  
Bush Lane House, Bush Lane, Cannon St.,  
LONDON.

Status Inquiries made as to the position and standing  
of Traders and others.

PERRY'S GAZETTE & LIST OF CREDITORS  
are published Weekly, and are valuable to  
everyone in business.

Debts recovered and paid over promptly.

Particular attention is called to the fact that this is the only Trade Protection Society that possesses at its offices in London Registers containing full Bankruptcy and other Registered Information, together with Status information FOR THE WHOLE OF THE THREE KINGDOMS.

TERMS from £1 1s. upwards, according to requirements. PROSPECTUS and further particulars on application.

# LIVERPOOL COURIER



The newspaper of the business man of Lancashire and Cheshire. No business house of any standing is without it.



The organ of the wealthy classes of the North-Western Counties and of North Wales. Its influence is wide and far reaching.



It is the best provincial medium for all classes of financial advertising. Investors in a wide area can only be thoroughly reached through its columns.

An application to the London Manager, 187 Fleet Street, E.C., will bring details of Charges. Private wire to Liverpool is open day and night.

# The Liverpool Courier

# THE LONDON ASSURANCE.

Incorporated by Royal Charter A.D. 1720.

For FIRE, LIFE, MARINE, ACCIDENT, CAPITAL and LEASEHOLD REDEMPTION, BURGLARY and PLATE-GLASS Assurances.

Head Office—No. 7 ROYAL EXCHANGE, LONDON.  
West-End Office—22 PALL MALL, S.W.

Governor—COLIN FREDERICK CAMPBELL, Esq.

Sub-Governor—ROBERT HENRY BENSON, Esq.

Deputy Governor—CHARLES S. S. GUTHRIE, Esq.

Secretary—C. A. DENTON, Esq. Underwriter—E. F. NICHOLLS, Esq.

Manager of the Fire, Life and Accident Departments—JAMES CLUNES, Esq.

Actuary—A. G. HEMMING, Esq.

The Corporation has granted Fire, Life and Marine Assurances for nearly Two Hundred Years, and now also undertakes Capital and Leasehold Redemption, Burglary, Plate-Glass and Accident Business, including Liability to Employers in respect of Domestic Servants, Shop and Warehouse Assistants, under the Workmen's Compensation Act of 1906.

# REFUGE ASSURANCE COMPANY Ltd.

Chief Office: OXFORD STREET, MANCHESTER.

Premium Income Exceeds - £3,500,000.  
Funds Exceed - - - - £11,000,000.  
Claims Paid Exceed - - - £20,000,000.

# PEARL

## ASSURANCE COMPANY, LTD.

Chief Office: High Holborn, W.O.

Annual Income - - - - - £3,466,000  
Claims Paid exceed - - - - - £16,000,000

Additional Representatives Wanted.

F. D. BOWLES, } Managing Directors.  
G. SHRUBSALL, }

# THE OCEAN Accident and Guarantee Corporation, Limited.

Assets - - £3,000,000  
Claims paid - £12,500,000

Accident Insurance of all kinds.  
Employers' Liability. Fidelity Guarantees.  
Fire and Burglary. Public Liability.  
Motor Car. Excess Bad Debt and Credit.  
Boiler and Lift Insurance.  
Executorships and Trusteeships.

Head Office: MOORGATE STREET, LONDON.  
T. M. E. ARMSTRONG, Manager and Secretary.

# BRITANNIC ASSURANCE CO., LTD.

ORDINARY and INDUSTRIAL BRANCHES.  
LIFE and ENDOWMENT ASSURANCES.  
HOUSE PURCHASE.

The Britannic War Bonus Policy was designed specially to meet present conditions, and provides for old age or for widow and orphans in case of death. Premiums payable for 12 months only.

OVER £10,450,000 PAID IN CLAIMS.  
FUNDS EXCEED £3,840,000.

Chief Offices: BROAD STREET CORNER, BIRMINGHAM.

# LONDON & MANCHESTER ASSURANCE COMPANY, LIMITED.

Chief Office - 50 FINSBURY SQUARE, LONDON, E.C.

Allied with National Amalgamated Approved Society for National (Health) Insurance.

PREMIUM INCOME exceeds ... £700,000  
FUNDS exceed ... .. £1,250,000

# SUBSCRIPTION TO "THE STATIST."

TO INCLUDE ALL SUPPLEMENTS.

Payable in Advance.

Inland.

ONE YEAR, £1 10 0 | HALF-YEAR, £0 15 0  
(Post Free.)

For Colonies and Abroad (within Postal Union).

ONE YEAR, £1 17 4 | HALF-YEAR, £0 18 8  
(Post Free.)

OFFICES: 51 Cannon Street, E.C.

# IMPORTANT NOTICE.

All Editorial communications should be

addressed to the Editor.

Business communications should be addressed  
to the Manager,

THE STATIST,

51 Cannon Street, London, E.C.

# The Nation's Savings will Save the Nation.

At a time like the present it is your duty to take fullest advantage of every means of thrift available. To meet present conditions The Standard Life Insurance Co. has issued a special new Policy called

# The "Bounty" Policy.

The Premiums for this Policy are very moderate, being lower than the Non-profit rates of most companies, but a **Guaranteed Bounty** is added to the sum assured when the life assured survives his expectation of life.

All Standard Policies are backed by a Capital of £13,730,000.

For the particulars apply for Booklet "D.17."

The STANDARD LIFE Assurance Company. Estd. 1825.

Head Office: 1, FINCH LANE, E.C. 2.

London: 83 King William Street, E.C. 4, and 3 Pall Mall East, S.W.  
Dublin: 59 Dawson Street.

# POSITION REQUIRED.

ADVERTISER, ex-Bank Manager, seeks administrative post of trust in England, Buenos Ayres, Monte Video, or Valparaiso; knows last three well. Thorough knowledge of Spanish. First-class references; over military age. Write "A. M.," c/o Street's, 30 Cornhill, E.C.

# The Statist.

LONDON, SATURDAY, AUGUST 7, 1915.

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# The Money Market.

Friday Evening, August 6, 1915.

Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	BANKS. NOTICE.	DEPOSIT RATES.	
			DISCOUNT.	HOUSES. NOTICE.
July 22, 1915...	—	3	3½	3½
April 8, "...	—	—	2	1½
Feb. 4, "...	—	—	1½	1½
Oct. 9, 1914...	—	2	2	2½
Sept. 17, "...	—	2½	2½	2½
Sept. 4, "...	—	3	3	3½
Aug. 27, "...	—	—	3½	3½
Aug. 8, "...	5	3½	4	4½
Aug. 6, "...	6	4	—	—
Aug. 1, "...	10	5*	5	5½
July 31, "...	8	4	4½	4½
July 30, "...	4	2½	2½	2½
Jan. 29, "...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only

**Treasury Bills:—**

	3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price ...	£99 6s. 1½d.	£98 3s. 5½d.	£97 3s. 8½d.	£96 5s. 0d.
Discount Rate	2½%	3%	3½%	3½%

**Discount Rates:—**

	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills ...	4½-½	4½	5½	5½
Trade Bills ...	—	5½-½	5½	5½-6

**MONEY.****MARKET LESS FIRM.**

THE Money market has been distinctly easier this week, in consequence mainly of the facilities which the Bank of England is affording to the market and the effort of the Treasury to strengthen the banking reserves of the country by drawing in gold from circulation. The condition of the foreign exchanges, and especially of the American exchange, created a certain amount of uneasiness lest gold shipments should be so substantial that an advance in the Bank rate would become necessary. It is true that the New York exchange upon London is no higher than 4 76½ for sight drafts, but the demand for exchange is weaker, and it is believed that the selling of American securities for the purpose of paying for the War Loan will continue to provide all the money needed to settle for our purchases of goods from the United States for some time to come, and that having regard to the large amount of gold expected to come in from circulation in consequence of the appeal of the Treasury to bankers and to the public to use currency notes instead of gold, the danger of an advance in the Bank rate has disappeared, at any rate for a time.

The open market rate of discount for three months' bills, which was firm last week at 5 per cent., is now 4½-4¾ per cent., while the four months' rate is 4¾ per cent. The rate for six months' bills, however, remains firm at 5½ per cent. Although the immediate exchange situation is more favourable, it would be a mistake to suppose that it has been permanently adjusted. This can only come when the nation is living within its income and is not incurring any great amount of debt to other countries in respect of the goods it is purchasing. Were it possible to borrow any substantial sums of money from the States from time to time while the War lasted, it would only be necessary to keep down the expenditures to the income plus the loans. But, inasmuch as there is great uncertainty as to whether or not the United States will be prepared to lend any substantial sum of money to other countries, the exchange situation cannot be permanently adjusted until the country's expenditure is kept within its income.

From the statements of the Prime Minister and of the Chancellor of the Exchequer it would appear that an effort is to be made to keep the country's expenditure within its income; but until the proposals are placed before Parliament the Money market should act with its proverbial caution, and should take into account only the facts as they exist from day to day. At the present time a campaign is being conducted to induce the country to exercise voluntary economy, and this campaign is having some effect; but our continued great imports and moderate exports indicate that we are still buying goods to a much greater extent than we can pay for by means of goods, interest and services, and that to provide the balance we must either sell securities or export gold. Luckily, the fund of American securities in this country is a large one, and doubtless the greater part of any sums of money that may be needed to cover the adverse trade balance until the country becomes more economical will be provided by sales of these securities. Moreover, the market for securities in the United States is a good one, and, having regard to the great American crops now being gathered in, and the large profits and savings of the American people, it is obvious that no difficulty should be experienced in

selling whatever securities we need to sell to pay America for the goods we are buying. Of course, beyond the American Exchange situation we have to look forward to our usual work of financing the Egyptian cotton crop and the grain crops of Argentina, and as far as can now be seen the country will need to export a good deal of gold.

On the whole, therefore, it is desirable that discount rates should be kept very close to the Bank rate of 5 per cent. in order to induce foreign bankers to make their balances in London as great as possible.

**BANK OF ENGLAND.**

THE influx of gold from abroad and of cash from the country have brought about a further increase of £1,361,000 in the Bank's reserve, and of £1,315,000 in the stock of gold. The reserve is now £47,186,000, or over £11,000,000 more than it was at the end of June, while the gold held is £62,220,000, which shows a recovery of over £10,000,000 during the last five weeks. The note circulation was practically unchanged at £33,486,000. It is evident that important financial operations have been conducted at the Bank of England this week, for, in spite of the payment of another call of 15 per cent. on the War Loan, realising rather less than £60,000,000, there was a decline of £30,577,000 in the public deposits, and they now stand at £147,059,000. After meeting the call on the War Loan the market's indebtedness to the Bank has actually been reduced £36,930,000, while the "other" deposits have fallen only £11,319,000. The Bank has absorbed £6,284,000 by reducing its holding of Government securities to £46,874,000. The amount of the "other" deposits is now £84,221,000, and of the "other" securities £155,265,000. In consequence of the appreciable decline in the deposits the proportion of reserve to liabilities has risen from 16.77 per cent. to 20.40 per cent.

**FINANCING THE EXCHEQUER.**

THE Governmental expenditures last week amounted to no less than £33,000,000, while the revenue received was only £2,551,000. The payments in full upon the War Loan brought in a further sum of £95,000,000, the total amount paid up to last Saturday having amounted to £273,500,000. On balance the amount of Treasury Bills outstanding increased £1,177,000, raising the total amount outstanding to £245,884,000. The cash balance of the Exchequer last Saturday was £143,931,000.

**CURRENCY NOTES.**

IN the fortnight to July 28 the Currency Notes outstanding declined £3,900,000, but in the past week there has been an increase of £1,400,000. On balance for the last three weeks, therefore, there has been a decline of £2,500,000. The total amount of Notes outstanding is now £46,729,640, against which the Bank holds £28,500,000 in gold. The invitation of the Treasury to the public to use Currency Notes instead of gold should cause large expansion.

**MONEY IN NEW YORK.**

THE supply of money in New York remains very abundant, while the sterling exchange is still as low as 4 76½ for sight drafts. The reserves of the New York Associated Banks increased nearly £3,000,000 last week, and as their loans expanded £2,000,000 the increase in their deposits was £4,600,000. Nevertheless, the addition to their surplus reserve was £2,210,000, bringing the total to £35,730,000, a figure that indicates that New York has all the banking money it needs, especially having regard to the state of the foreign exchanges and the great sums that are accruing to the United States from its enormous exports.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate	Par as usually quoted	Dis- count %
London ... sight	\$4 76½	4 86½ dollars for £1	2½
" ... cables	\$4 76½		
" ... 60 days	\$4 71½		
Amsterdam ... sight	40 ½ c.	40 ½ cents for 1 guilder	4
Berlin ... sight	81 ½ c.	25 cents for 4 marks	15½
Copenhagen ... cheques	25.85 c.	20 ½ cents for 1 kronen	3½
Italy ... sight	61 ½ c.	50 s lire for \$1	20½
Paris ... sight	5 ½ fr.	50 s francs for \$1	8½
Petrograd ... sight	5 ½ fr.	51 ½ cents for 1 rouble	37½
Mexico ... Mex. silver \$	37½ c. U.S.	50 c. U.S. for 1 Mex. \$	25½
Switzerland ... sight	5 ½ fr.	50 s francs for \$1	28
Vienna ... sight	15 ½ c.	2 ½ cents for 1 kronen	24½

Rates for prime commercial paper and for call loans in New York are as follows:—

Aug. 5, 1915 ...	Prime paper ... 3½-3¾	Call money ... 2%
Aug. 7, 1914 ...	" " " " " "	" " " " " "

### POSITION IN INDIA.

EXCHANGE has been slightly better since 31st from Calcutta. There has, however, been no demand whatever for Council drafts this week. Silver continues to accumulate in the currency department, and last week amounted to the great total of 4,009 lacs. At this time last year the amount was 3,390 lacs. The rainfall in India has increased and anxiety as to a short monsoon has been somewhat allayed.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent. (June 4, '15)

No applications were received for the 10 lacs of drafts offered by the India Council on Wednesday last, August 4.

From April 1 to August 4 inclusive the Council have granted remittances for Rs. 2,76,88,934, realising £1,843,860. Up to August 5 of last financial year the total Bills and Transfers sold was Rs. 4,60,13,332, realising £3,071,778. The total sales for the week ended August 4 amounted to Rs. 2,51,956, realising £17,064. The amount to be offered for tender next Wednesday will again be 10 lacs.

### SILVER.

THE Silver market has been steadier this week, and the price, after falling to 22½d., is unchanged at 22½d. There has been a little buying for India, and the reports as to the monsoon are somewhat better. There has also been a little demand for the Continent.

	July 29	30	31	Aug. 2	3	4	5	6
London ...	22 ½	22 ½	22 ½	Hol.	22 ½	22 ½	22 ½	22 ½
India ... Rs.	58 ½	58 ½	58 ½	Hol.	58 ½	58 ½	58 ½	58 ½
Exchange	13 ½	13 ½	13 ½	Hol.	13 ½	13 ½	13 ½	13 ½

## Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

	TICKET DAY.	PAY DAY.	CONSOLS.
Settlement Days	Wed., Aug. 11 Thurs., Aug. 26	Thurs., Aug. 12 Fri., Aug. 27	Wed. Sept. 1

THE fall of Warsaw has had no effect upon the Stock Markets, and has not in any way shaken the confident belief of everyone that eventually the tide will turn and that the Russian Army will not only be able to hold its own, but will be able to drive back the invaders. That the Russian Army has succeeded in successfully withdrawing from Warsaw is regarded as of greater importance than the loss of that city. The closing prices to-day for the new War Loan were 98½ cum rights and 98½ ex rights.

The announcement of an issue of £1,500,000 of London and North Western 4½% Preference stock at the low price of 96 had a somewhat unfavourable effect upon the market for railway securities, as it was regarded as indicating the much higher yields that railway stocks of all kinds are now expected to give.

The strongest market has been that for American securities, which have advanced in consequence of the growing activity of trade in that country, and the prospect that railway earnings and profits in the current year will show appreciable expansion. The

excellent crops now being gathered are also a cause of the improvement. Indeed, all the indications seem to favour an active condition of trade in the United States in the coming twelve months, and relatively large railway earnings and profits. In the first place the supply of banking money in the United States is large, and the great profits that are being made in farming and in manufacture should accentuate the effect of the abundance of banking money upon prices of securities by largely adding to the amount of savings that will be available for investment. Secondly, the foreign trade balance is greatly in favour of the United States, and the only question that is uncertain is how the country will accept payment for all the goods it is sending abroad—will it be willing to take payment in securities, or will it ask for gold? With banking money so plentiful in the States doubtless the country will take payment in securities for a large part of its exports, and if at any time it needs to import gold, all it will have to do will be to diminish its purchases of securities.

In considering the probable course which the prices of securities will take due account should be had of the present campaign in favour of economy that is being conducted throughout the country. No one can doubt that if the British people make up their minds to save a great deal more than they have hitherto put aside they will have no difficulty in accomplishing their purpose, and it is not impossible that the country will now save more than it needs for war purposes. In normal times a very large part of the country's expenditures are upon luxuries and comforts, and if everyone endeavours to cut off all unnecessary expenditures the savings of the country can be raised to a very large figure. The importance of this during the progress of the War will be great, but it will be still greater when the War is over, and all the money saved becomes available for investment in old as well as in a restricted amount of new securities. How long it will take the country to increase its savings sufficiently to regain the ground lost during the War cannot now be decided, as the special measures to induce people to economise have barely begun. It should, however, be noted that so far at any rate the country has not gone back in the matter of capital, and that to make good the new savings devoted to war purposes will merely involve extra saving for a few years.

It is, of course, highly improbable that the prices of securities will recover to the pre-War level immediately on the conclusion of peace, but if the nation becomes as economical as it is likely to become during the War, and the fashion of the simple life is continued for a few years after peace is concluded, the accumulation of savings should be rapid, and in the course of a few years prices should recover to the level at which they stood in July 1914. If members of the Stock Exchange will assist in inducing the country to become economical, and at the same time more productive, not only will they help to stop the falling tendency of prices, but they will bring nearer the period of recovery and a more active condition of markets.

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Bonus on Current Series .....	28% Compound.	30% Compound.	36% Compound.
Carried forward...	£2,042	£78,544	£102,164

NOTE.—Policies which become claims before the next distribution of bonus will receive an interim bonus at the full rate last declared.

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## HOME RAILWAY DIVIDENDS.

## NORTH BRITISH RAILWAY.

As was anticipated the dividend announcement of the North British Railway in respect of the first half of 1915 is similar to that for the first half of 1914, the full rate of dividend being forthcoming upon the Preferred Ordinary stock, and the question of a distribution upon the Deferred Ordinary being left over for determination until the accounts for the whole year are made up. The profit available for dividend upon these two stocks for the year 1914 amounted to £412,000, and by reason of the arrangement entered into between the railways and the Government the Company should this year receive an extra £42,000 of net receipts, out of which to make provision for its share of the War bonus to its men and to meet additional interest charges. So far as can be gauged this sum should be fully sufficient for these two purposes, and the net profit for dividend should be almost the same as for last year. In view of this a distribution of 1 per cent. for the year on the Deferred, as in 1914, may be looked for, but if such a dividend is forthcoming it would appear that the amount to be set aside for general reserve fund may have to be reduced, as the balance brought forward this year was £14,608 lower than in 1914. The price of North British 3% Preferred Ordinary is now 45, at which the yield afforded is about 6½ per cent. The Deferred is quoted 14¾, and the yield from a 1 per cent. dividend is just 7 per cent. Dividends paid for the past twelve years have been as follows:—

## North British Deferred Ordinary.

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
2nd half...	2	2½	2*	1½	1½	½	½	½	½	2	2	2½
1st half...	Nil	Nil	Nil	½	½	½	Nil	Nil	1	1½	1½	2
Year...	1	1½	1	1	1	½	½	½	½	1½	1½	2

\* Rate per annum of div. for 5 mos. to Dec. 31, 1912.

## GREAT NORTH OF SCOTLAND RAILWAY.

No change is made in the interim dividend of the Great North of Scotland Railway Company, which is at the rate of 4 per cent. per annum on the Undivided stock, giving 1 per cent. per annum on the Deferred. For the whole of 1914 the rate of distribution was the same, but owing to a larger amount of stock ranking, the increased profit earned compared with 1913 was practically absorbed, and the balance carried forward was reduced by nearly £1,000 to £8,159. In the current year the Company will receive from the Government about £2,000 more net revenue than in 1914, but this will probably be no more than sufficient to provide the Company's share of the war bonus to employees; so that unless it receives a larger miscellaneous income, or is able to further reduce the interest on bankers' loans, the profit for dividend will again be barely sufficient to maintain the dividend. However, the balance brought forward from last year is still relatively large, and we imagine that the directors will feel no compunction in again drawing upon this sum in order to distribute the meagre rate of 1 per cent. on the Deferred stock. The price is now about 13¼, and on the existing dividend basis a yield of as much as £7 16s. 10d. per cent. is forthcoming. The dividends paid on the Deferred in recent years will be found below:—

## Great North of Scotland Deferred Ordinary.

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	1	2	1	1½	1	Nil	½	½	1	1	½	1½
June half...	1	1	1	½	½	½	½	½	1	1	½	1½
Year...	1	1½	1	1	½	½	½	½	1	1	½	1½

## HIGHLAND RAILWAY.

As was the case last year and the year before no interim dividend is being paid by the Highland Railway Company in respect of the past six months. For the whole of 1914 the Company earned a profit of £59,335, and although this was some £7,500 smaller

than in 1913 a dividend of 2¼ per cent. was distributed, £2,000 was placed to reserve, and £16,349 was carried forward. This year an additional £8,000 net revenue will be received from the Government, which should be more than sufficient to meet the war bonus and any increase in capital charges, so that the Company will secure a profit at least as large this year as in 1914, and the dividend of 2¼ per cent. should, therefore, be repeated. We understand that the Company is exceedingly busy, and is suffering from a shortage of waggons owing to the exceptional demands that are being made upon it for war purposes. It is to be hoped this shortage can be made good and that farmers and others will not be handicapped in getting their produce to market by lack of adequate transport facilities. To facilitate matters it is officially announced that the Buckie branch of the Company will be closed on August 7 until further notice. This branch is 13¾ miles in length and runs from Keith to Buckie and Portessie, both of which are also served by the Great North of Scotland Railway. The dividends paid by the Company in recent years have been as follows:—

## Highland.

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	4½	5	2½	2½	2½	1½	1½	1½	2	2	2	1½
June half...	Nil	Nil	Nil	1½	1½	1½	1½	1½	1½	1½	1½	1½
Year...	2½	2½	1½	2½	2	1½	1½	1½	1½	1½	1½	1½

The price of Highland stock is 32¼, and the yield from the dividend of 2¼ per cent. is as much as £7 4s. 6d. per cent.


## NORTH LONDON RAILWAY.

The North London Railway dividend for the half-year is at the rate of 4 per cent. per annum, the same as a year ago; but, inasmuch as the distribution for the December half of last year was lowered from 4½ per cent. to 3½ per cent. per annum, the dividend for the twelvemonth is 3¾ per cent., as against 4¼ per cent. The Company has hitherto published a statement showing the approximate results for the June half of the year, but this time it is, for some obscure reason, unable to furnish any particulars. The existing arrangement with the Government provides for a net income to the railway companies equal to the amount earned in 1913, out of which they have to meet 25 per cent. of the war bonus and any increase in capital charges. The war bonus may cost the North London Company no more than £2,000, and, inasmuch as there have been no capital expenditures during the year, the profit for 1914 will be only to this extent smaller than it was two years ago. It then amounted to £96,000, and this year, consequently, it should reach approximately £94,000, a sum equal to a dividend of 4½ per cent. on the share capital. For the whole of 1914 the Company paid a dividend of 3¾ per cent., against 4¾ per cent. in 1913, so that, without dividing profits up to the hilt, it should be able six months hence to pay a substantially higher dividend than the distribution for the December half of 1914. If it declares a final dividend of 4½ per cent. this year, the distribution for the whole of 1915 would be 4¼ per cent., against 3¾ per cent., and something like £3,000 would still be available for reserve or other purposes. Recent dividend distributions of the Company has been as under:—

## North London.

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	3½	4½	5	5	5	4	3½	5½	5½	4½	5	6½
June half...	4	4	5	4½	5	5	4	3½	4½	4½	5	6
Year...	3½	4½	5	4½	5	4½	3½	4½	5	4½	5	6½

The last transaction in North London stock was done at 73¼, and at this figure the dividend of 3¾ per cent. paid in respect of the past twelve months yields the investor £5 5s. 3d. per cent. Were the rate raised this year to 4¼ per cent., the yield would be £5 19s. 4d., and if 4½ per cent. were distributed a return of £6 2s. 10d. per cent. would be forthcoming. The stock has, therefore, speculative possibilities.

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Head Office: ROPEMAKER ST., E.C.      Branch: 29 QUEEN VICTORIA ST., E.C.

## Mining Topics.

SCARCITY of business on the Stock Exchange has always been associated with the summer holiday months, and it is not surprising that in present circumstances there should be practically nothing doing in the Mining markets. With the exception of Daggafontein shares, which have been bought on the rumour that the Central Mining and Investment Corporation will help to finance the undertaking, there has been hardly a feature of note this week. There seems to be no desire to sell at the present level of prices, and few people are in a position to buy. Those people able to take advantage of bargains offering, provided they make proper selections, will, no doubt, in course of time witness considerable appreciation in the value of their acquisitions. In this connection we would draw attention to Consolidated Langlaagte shares at 1½ cum dividend. Their attractions are dealt with in a subsequent paragraph.

**Daggafontein.**—In June 1915 it was officially stated that the Consolidated Mines Selection Company had acquired an interest in this far Eastern Rand proposi-

tion with a view to participating in the further financing of the venture. This week rumours have been current that the Central Mining and Investment Corporation is making preparations to acquire the property, but have been unable to obtain confirmation of this. The Daggafontein property is a large one adjoining the east side of the Springs Mine. The issued capital of the Company is £536,507 in £1 shares. A shaft, which is the most easterly one on the Rand, has been sunk on the property, and in September 1914 intersected reef at a depth of 3,580 feet, the average value over 40 inches width being 7.85 dwts. Subsequently active operations were suspended owing to lack of financial resources, and at the meeting of the Company on December 14 last the Chairman stated that it was estimated something like £750,000 would be required to bring the mine to the producing stage. The cost of sinking the shaft amounted to £248,500. It is a pity that times are so unpropitious for raising fresh capital for it certainly looks as if the Daggafontein might prove a profitable venture and a large gold producer.

## ALASKA UNITED'S IMPROVED PROSPECTS.

THE year 1914, from the point of view of earnings, was the worst experienced by this well-known low-grade gold mining undertaking since 1909. A somewhat larger quantity of ore was milled, but the yield of gold per ton declined to 8s. 5d., in comparison with 9s. 3d. in 1913 and 10s. 7d. in 1912. Furthermore, the operating costs, which for the years 1912 and 1913 averaged only 5s. 9d. per ton, for 1914 rose to 6s. 2d. Consequently the outcome of the year's operations was a decline in the operating profit to £51,587, or 2s. 3d. per ton, in comparison with £78,854, or 3s. 6d. per ton, in 1913. These figures refer to the combined results of working the two mines belonging to the Company, the Ready Bullion mine and the 700-Foot Claim mine, the latter being separated from the Ready Bullion by the Alaska Mexican mine, and having on its other side the Alaska Treadwell property. The following comparison of the combined yearly results of the two mines will enable the reader to follow the varying fortunes of the Company since 1908. The dollar is taken at 4s. :—

Year*	Total Ore Milled Tons	Average Yield per Ton s. d.	Average Operating Costs per Ton s. d.	Total Operating Profit—	
				Amount £	Average per Ton s. d.
1909	414,184	9 2	6 8	51,584	2 6
1910	426,69	8 6	6 0	51,768	2 6
1911	448,836	9 4	6 6	65,116	2 10
1912	460,793	10 7	5 9	109,125	4 10
1913	448,427	9 3	5 9	78,854	3 6
1914	468,314	8 5	6 2	51,587	2 3

\* The years to 1910 ended Dec. 15; 1911 includes the last two weeks of 1910 and the year 1912 ended Dec. 31.

The fall in profit in 1914 was entirely due to the much lower grade of the ore milled from the 700-Foot Claim mine and the increased working costs in connection therewith. In consequence, the working of this property during 1914 showed an operating profit of only £13,222, against £41,296 for the year 1913. On the other hand, the profit from the Ready Bullion mine showed a slight increase for the year.

Naturally, in view of the much smaller profit available, the annual dividend of the Company was heavily reduced. After deducting sundry expenses, less interest received, the net operating profit of 1914 amounted to £49,588, against £77,013 for 1913. The dividends paid in respect of 1914 aggregated 18 per cent., in comparison with 46 per cent. for 1913, but the 1913 distribution was only made possible by considerably reducing the depreciation allowance for that year and trenching to the extent of £12,000 upon the carry-forward. In respect of 1914, the depreciation allowance was increased, though not to its former high level, and the carry-forward was also slightly added to. As a result of the conservative distribution of profits in the past

the financial position of the Company is a strong one, the surplus liquid assets amounting to over £55,000, as against the issued capital of \$901,000 (£180,200), in \$5 (£1) shares.

In the following table we show, in respect of the past 10 years, the variations that have occurred in the profits and dividends, the great increase of strength that has taken place in the ore reserve position, especially in the past year, and the fluctuations in the price of the Company's shares:—

Year	Net Profit	Depreciation Written Off	Divs. Amount	Carry-Forward	Ore Milled Tons (2,000lb.)	Total Ore Reserves Tons (2,000lb.)	Price of Shares, end of period
1905 ...	59,619*	16,290	18,020	10	74,943	233,480	9 6
1906 ...	21,062	15,000	25,228	14	55,778	236,690	9 4
1907 ...	8,501	15,000	10,812	6	38,467	213,370	9 5 1½
1908† ..	24,799	—	23,426	13	39,840	380,896	9 7 1½
1909 ...	52,348	25,200	46,852	26	20,137	418,184	10 4 2½
1910 ...	50,489	39,672	27,030	15	4,924	420,659	11 4 3½
1911 ...	64,283	39,000	16,018	9	13,989	448,636	12 0 4½
1912 ...	109,387	44,504	64,872	36	14,000	450,793	11 0 4½
1913 ...	77,013	6,010	82,892	46	2,111	448,427	10 10 3½
1914 ...	49,588	16,231	32,416	18	3,032	458,314	10 0 3½

\* Including £44,421 profit on sale of Tacoma Smelting Company's stock.

† The Company re-started operating the 700-Foot Claim mine on its own account in 1907.

(a) Combined ore reserves of Ready Bullion and 700 Foot Claim mines.

The very large increase in the ore reserves is a highly satisfactory feature, mainly attributable to the opening-up of the 2,200-foot, or bottom level, of the Ready Bullion mine and the 1,570-foot, 1,750-foot, and 2,100-foot levels of the 700-Foot Claim property. So great was the progress made in the development of the latter property in 1914 that its ore reserves were nearly doubled, and it is now for the first time considerably ahead of the Ready Bullion mine in the matter of tonnage of ore in sight. This will be seen from the following:—

	Ready Bullion Mine (Ore Reserves)		700-Foot Claim (Ore Reserves)	
	Tons	Value	Tons	Value
1908 ...	1,198,206	9/10	563,487	9/0
1912 ...	1,721,621	11/3	1,154,273	0/6
1913 ...	1,708,662	11/7	1,281,475	9/10
1914 ...	2,144,066	11/5	2,542,477	8/10

It is probably to the ambitious development programme of 1914, which brought into sight so huge a quantity of fresh ore, that the falling-off in the operating results of the year is attributable. But the good development results augur well for the future, and already a very distinct change for the better is noticeable. In the first five months of 1915 a much larger quantity of ore from the two properties has been dealt with monthly, owing to the coming into operation of 30 new stamps, increasing the mill of the 700-Foot Claim property to 150 stamps. Furthermore, the average gold yield has risen by 1s. per ton compared with the corresponding period of 1914, and costs have been slightly reduced. As a result the net profit of the first five months of 1915, after deducting outlay on plant, has amounted to more than double the figure of the corresponding first five months of 1914, viz., £27,714, or 2s. 7d. per ton, against £12,863, or 1s. 5d. per ton, in respect of the period January to May 1914. The details are shown below:—

#### Combined Results of Ready Bullion and 700-Foot Claim Mines.

5 Months to May 31	Ore Crushed Tons	Realisable Value—		Total Costs*	Net Profit—	
		£	Per Ton	Per Ton	£	Per Ton
1914 ...	184,815	70,485	7/7	6/2	12,863	1/5
1915 ...	215,810	92,262	8/7	6/0	27,714	2/7

\* Including expenditure on plant.

The development indications so far this year, according to the monthly advices, have been also very satisfactory. At the 2,200-foot, or lowest, level of the Ready Bullion mine the improvement in values met with has been particularly gratifying; and much the same can be said of the 1,570-foot level of the 700-Foot Claim mine; while the values in the bottom, or 2,100-foot, level have been good in places also. This will be seen from the following table, which shows the development disclosures at the three respective levels

during 1915 in comparison with the average of the values met with in the levels in 1914:—

	Aver. Value of Samples Taken in 1914	Development Work in 1915				
		Jan.	Feb.	Mar.	April	May
<i>Ready Bullion :</i>						
2,200-Ft. Level—						
Feet ... ..	—	345	301	274	154	144
Aver. value (s. d.) ...	9/6	10/11	14/6	12/9	16/9	16/4
700-Ft. Claim :						
1,570-Ft. Level—						
Feet ... ..	—	54	102	133	187	283
Aver. value (s. d.) ...	7/4	12/5	12/8	16/2	10/9	6/9
2 100-Ft. Level—						
Feet ... ..	—	135	124	139	161	198
Aver. value (s. d.) ...	6/3	4/9	6/1	9/5	6/2	3/0

When it is borne in mind that the average value of the ore reserves in the Ready Bullion mine at the end of 1914 was only 11s. 5d., the significance of the comparatively high values met with in the lowest level this year will be apparent. All things considered, it looks as if the Alaska United in the current year, barring accidents—the breakage of the hoisting-engine shaft at the central shaft and the reported fall of ground in the Treadwell mine are officially stated to be of minor importance—will earn a much larger profit than obtained in 1914. The dividend payments already show increase, the two quarterly distributions so far made aggregating 14 per cent., in comparison with 10 per cent. for the same period last year. Another dividend declaration is due this month. What the actual dividend for the whole of 1915 will be remains to be seen, but it certainly looks as if 30 per cent. may be forthcoming. True, the cost of sinking a new shaft at the Ready Bullion mine, which, *per contra*, will reduce working costs in the future, will have to be provided for; but, as we have pointed out, the financial position of the Company is a strong one, and, further, the net profits of the first six months of the current year, after allowing for outlays on plant, have exceeded the amount required for the dividends, aggregating 14 per cent., paid for the period. Assuming that the total dividend for the year is only 30 per cent., the yield afforded to the purchaser of the Company's shares at their present price of about 3½ is about 10 per cent., allowing for accrued dividend, and as the ore reserve position is immensely strong, there being in sight a sufficient tonnage to supply the mills for about nine years, and development indications are good, the shares do not appear to be overvalued.

### CONSOLIDATED LANGLAAGTE.

THE £1 shares of this Company can now be bought for 1½, allowing for the 2s. 6d. dividend included in the market price, and as dividends at the rate of 25 per cent. per annum are being paid the yield afforded works out at about 14 per cent. The profits being earned, however, are far in excess of the dividends paid. Thus in the first half of 1915 the working profit amounted to £186,151, which is equal to £372,000 per annum. From this has to be deducted the Government's profit tax, miners' phthisis, expenses, &c., say £40,000, leaving a balance profit of £332,000, which is equal to 35 per cent. on the issued capital of £950,000. The reason why an annual dividend of 25 per cent. only is being paid while 35 per cent. is being earned is due to provision for Debenture interest and redemption. At December 31, 1914, £270,000 of 5½ per cent. Debentures were outstanding, and at July 31, 1915, the figure had been reduced by £75,000 to £195,000. If the dividend payments continue to be limited and surplus profits are applied to redemption of Debentures at the recent rate, the Debentures will be cleared off in less than three years, when the entire profits would be available for distribution to shareholders. Even if this prospect, however, is ignored there is the fact that the shares at their present price and on the dividend now being paid yield about 14 per cent. In April 1914 the life of the mine was estimated officially at 22 years, so that at least 20

years of working can be reckoned on. The ore reserves at December 31, 1914, were quite four years ahead of the mill, allowing for the large amount of ore obtained from near to surface levels by reclamation. Furthermore, development indications are reported to be good. In the March quarter 18,000 tons were added to the ore reserves, and the report for the three months stated:—

At the west shaft the improvement in values, previously referred to, has been maintained. At the lowest level in this section—viz., the ninth—driving on the South Reef is being carried on in payable ground, and the Main Reef Leader was intersected in February. At the point of intersection reef of high value was exposed. Driving east and west was started during March, and a distance of 76 feet was accomplished in Leader, averaging 18.7 dwt. over 20.7 inches.

The mine is one of the exceptionally well managed undertakings of the Rand, the total working costs being only slightly over 14s. per ton of ore milled. Then too the financial condition of the Company is strong, the balance sheet at December 31, 1914, showing that the liquid assets after payment of the final dividend of the year exceeded current liabilities by more than £90,000.

## THE GRANVILLE DREDGING GROUP.

THERE are three what may be termed mining corporations operating in the Klondyke gold-bearing gravel deposits. The one that has obtained the best results is the American-controlled Yukon Gold Company, incorporated February 1907, which has an authorised capital of \$25,000,000, and according to the latest information in our archives has \$17,500,000 issued. In respect of operations for the years 1910, 1911, 1912 and 1913 dividends of 8, 7½, 6 and 6 per cent. respectively were distributed. The quotation in New York of the \$5 shares on July 22 was \$2¾ per share.

A Canadian-registered enterprise entitled the Canadian Klondyke Mining Company, Limited, formerly known as Boyle's Concession, Limited, has been a producing Company since 1905. It attained its maximum results in respect of the year 1914, when from the treatment of 6,363,000 cubic yards a gold production of \$1,331,000, or 29.3 cents per cubic yard, was secured, at a working cost of 7.5 cents per cubic yard, the gross profit prior to administration charges, Debenture interest, &c., being about \$850,000. It had been hoped that there would have been ability to distribute a dividend from these results, but the profits were utilised for capital purposes.

There is yet another Company—the North-West Corporation, Limited—operating a property that formerly belonged to the Granville Mining Company, Limited; both are English-registered companies. It has not yet attained the stage of production, having been occupied for 3½ years in clearing its ground of overburden, which averages a thickness of 6 feet of mainly decayed vegetation. Such overburden prevented heat derived from the rays of the sun penetrating through it, and the gravel deposits under the overburden were inaccessible owing to a permanently frozen state. It is claimed that by the removal of the overburden by sluicing, it being afterwards collected and burned, the gravel deposits will be acted upon by the sun, and there will be ability to dredge without any application of artificial heat to melt the ground. The process has been successful in the case of the Canadian Klondyke Mining Company, whose property lies to the north of the hill-range that separates the Klondyke River watershed from the Indian River watershed. The North-Western's deposits, which have not yet become productive, are in the Indian River watershed, south of the range. The deposits extend along creeks that have an aggregate distance of gold-bearing gravels of between 70 and 75 miles. It may be mentioned that the funds obtained by the issue of Debentures in 1915 are expected to provide necessary preliminary equip-

ment that will enable a commencement of gold output to be effected in 1915.

### NORTH-WEST CORPORATION, LIMITED.

*Authorised Share Capital.*—£1,500,000 in £1 shares.

*Issued*—1,148,080 shares as fully paid.

150,081 shares for cash.

*Debenture Stock*—7½, First Mortgage, convertible into shares at par.

*Issued*—£75,000—£40,000 to North West Finance Syndicate, £35,000 to Granville Mining Company. A balance of £75,000 held for future needs.

The Granville Mining Company is the Company in which British interests are centred. It was formerly a mining as well as an investment Company, but has now become a purely share, &c., holding concern. The position may be summed up in the following analysis of its capital and investments:—

### GRANVILLE MINING COMPANY, LIMITED.

*Authorised Share Capital.*—£1,500,000 in £1 shares.

*Issued*—1,310,000 shares to Dec. 31, 1913.

*Further*—100,000 shares due to vendors.

*Debenture Stock*—6%, redeemable after Jan. 1, 1918, and repayable Jan. 1, 1932, at 105%; convertible into shares at par till Dec. 31, 1917.

*Issued*—£900,000 of authorised £1,000,000.

*Loans*—£65,000.

*Investments*—

The Company's capital was invested, Dec. 31, 1913, in—

\$1,646,000 6% Debentures of the Canadian Klondyke Mining Company, Limited.

\$2,175,000 in \$5 shares of the Canadian Klondyke Mining Company, Limited.

\$1,200,000 6% Debentures of the Canadian Klondyke Power Company, Limited.

\$1,015,000 in £1 shares of the North-West Corporation, Limited.

It will be noted that the Granville Mining Company holds a 29 per cent. interest of the share capital of the Canadian Klondyke Mining Company, and the position, in brief, of this Company is as under:—

### CANADIAN KLONDYKE MINING COMPANY, LIMITED.

*Authorised Share Capital.*—\$8,000,000 in \$5 shares.

*Issued to Dec. 31, 1913,* \$6,400,000.

*Debentures.*—\$1,670,000 Six per cents.

*Production.*—

	Cubic Yards Treated	(Gold Production) Per Cubic Yard Cents.	Average Cost per Cubic Yard Cents.	Approximate Gross Profit \$
1911 ...	3,000,000	580,000	19.3	300,000
1912 ...	No particulars			
1913 ...	6,363,000	1,331,000	29.3	851,000

The question has been addressed us as to what the Canadian Klondyke Company has done recently. We find that the aggregate of the weekly returns issued gives a total production for 1914 of 68,973 oz., which contrasts with 85,899 oz. for 1913. This falling off is due to one of the Company's dredges having been sunk in September 1914. It was one of the large dredges that was sunk, there being three dredges, each of a 16 cubic feet bucket capacity, and a smaller dredge of a capacity of 7½ cubic feet. The No. 2 dredge that was sunk was put out of commission for the remainder of the season of 1914, and in fact is still out of commission, but news is expected at any moment that it has been restarted. For current period to July 17, 1915, the aggregate output has been 25,297 oz., contrasting with 33,140 oz. for the corresponding period of last year. Here again the shrinkage in output is due to the No. 2 dredge remaining out of commission, and a recovery in the remaining months of the 1915 season probably will be witnessed.

At the time last year when markets were depressed by fear of the War the making-up price (July 27) for Granville shares was 10s. At the present time the nominal price is 5s. 6d. The last report of the Granville was in respect of the year to December 31, 1913, and was issued at the beginning of November last. Some time will consequently elapse before the new report becomes available, and it is to be hoped that when it is published it will contain more information than has hitherto been the case.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 4, 1915.

## Issue Department.

Notes Issued.....	£79,657,775	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	61,207,775
£79,657,775		£79,657,775	

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ...	£48,874,148
Reserve .....	3,450,561	Other Securities .....	155,264,727
Public Deposits .....	147,058,821	Notes .....	48,171,745
Other Deposits .....	84,221,335	Gold and Silver Coin .....	1,013,980
Seven-day and other Bills ..	41,081		
£249,324,593		£249,324,593	

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Both Depts.	Deposits Public Other	Securities Govt. Other	Reserve	Ratio Reserve to Liabilities.	Bank Rate	Three Months' Bills
1914.	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	40.03
1915.								
June 30	34.8	52.1	81.5	140.8	51.0	152.9	35.9	16.16
July 7	35.1	53.3	67.9	139.8	51.0	137.9	36.6	17.63
— 14	34.5	53.1	62.9	158.0	51.7	140.0	37.1	17.58
— 21	33.8	59.4	109.2	134.6	53.1	164.6	44.1	18.08
— 28	33.6	60.9	177.6	95.5	53.1	192.2	45.8	16.77
Aug. 4	33.5	62.2	147.1	84.2	46.9	155.3	47.2	20.40

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 6, 6%; Aug. 8, 5%

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.	£	£	£	£	%
Total to July 7...	124,545,070	76,485,922	48,059,148	28,500,000	59.3
Week to " 14...	2,855,087	1,615,764	49,298,471	28,500,000	57.2
" " 21...	2,148,872	5,061,079	46,386,264	28,500,000	61.4
" " 28...	2,436,002	3,435,346	45,386,920	28,500,000	62.8
" Aug. 4...	2,676,331	1,333,611	46,729,640	28,500,000	61.0

## II.—Balance Sheet, August 4, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound ...	35,428,999	Other Bankers ...	1,204,000
Ten Shilling ...	11,300,651	Truster Savings Banks ...	310,000
Investments Reserve A/c	307,475	Currency Note Redemption A/c—	
		Gold Coin and Bullion ...	28,500,000
		Government Securities ...	9,585,828
		Balance at Bank of England...	7,437,287
Total ...	47,037,115	Total ...	47,037,115

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Receipts.	Withdrawals.
1915.	£	£
July 29, Thursday ...	Nil.	350,000 bars.
" 30, Friday ...	Nil.	200,000 Misc. sovs.†
" 31, Saturday ...	Nil.	Nil.
Aug. 2, Monday ...	Nil.	Nil.
" 3, Tuesday ...	200,000 Misc. sovs.*	150,000 Misc. sovs.†
" 4, Wednesday ...	821,000 bars.	Nil.
	200,000 Misc. sovs.*	
Total for week ...	1,221,000	700,000
Balance ...	[521,000 In for week.]	
Aug. 5, Thursday ...	Nil.	200,000 bars.
" 6, Friday ...	Nil.	Nil.

\* Released.

† Set aside.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£30.1	£29.9	£29.9	£36.1	£33.5
Public Deposits .....	9.8	16.8	9.3	11.5	147.1
Other Deposits .....	43.4	40.8	39.8	56.7	84.2
Government Securities .....	16.8	13.9	12.7	11.0	46.9
Other Securities .....	29.2	33.6	27.0	65.3	155.3
Reserve .....	25.3	28.2	27.5	9.9	47.2
Ratio to Liabilities .....	47.2%	48.80%	55.90%	14.60%	20.40%
Bullion (both Departments) ...	36.9	39.7	39.0	27.6	62.2
Money:—					
Bank of England Rate .....	21%	3%	4%	6%	5%
Bank of France Rate .....	3%	3%	4%	6%	5%
Rate 3 months' Bills London ...	1.4%	3.4%	3.4%	—	4.4%
Exchange:					
Paris Oheque .....	25 15	25 26½	25 25	—	26 90
Hamburg 8 days .....	20 45½	20 47½	20 46½	—	—
New York 60 days .....	4 84½	4 84.25	4 83.25	nom.	4 72½
Bombay Telegraphic Transfers	1/4½	1/4	1 3½	—	1/3½
Prices:					
Consols 2½ % Cash .....	90½	74½	73½	69½	65
French Rente 3 % Money .....	99 35	92 35	87 47	—	69
Silver, London spot .....	—127½	—128½	—127½	—126	—122½
Wheat, Gazette average .....	32 3	38 4	33/10	34 2	5/3
Cotton, Mid. Upland .....	—159.2	—170.3	—164.9	—169.1	—154.3
Iron, Scotch pig .....	—	66 7½	63 0	57 3	72 3

## ARGENTINA.—Gold in Caja de Conversion.

July 7, 1915.....	Pesos 229,639,036
June 30, 1915.....	229,634,834
Dec. 31, 1914.....	221,703,321
Dec. 31, 1913.....	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversão.

July 3 & 10, 1915.....	£5,635,846
June 19 & 26 .....	5,972,149
Dec. 31, 1914.....	9,230,525
Dec. 31, 1913.....	18,400,501
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914 ...	—	—	£13,352	£6,197	£786	£8,693	£47
May 31, 1915 ...	£5,947	£320	6,267	5,322	2,294	11,568	555
June 30, 1915 ...	5,950	318	6,266	5,672	2,187	11,944	710
June 30, 1914 ...	—	—	4,585	5,309	1,102	8,879	284
June 30, 1913 ...	—	—	4,350	5,183	1,180	8,638	217

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circula-tion.	Public Deposits.	Private Deposits.
July 22, 1915...£182,052	£14,686	£176,738	£10,499	£500,511	£7,719	£95,018	
July 29, 1915...185,174	14,721	179,895	11,199	503,701	8,844	95,195	
Aug. 5, 1915...168,983	14,734	183,617	12,185	509,016	8,758	91,123	
July 30, 1914...165,654	25,013	190,667	97,768	267,327	15,302	37,903	
Aug. 7, 1913...134,592	25,543	160,135	60,093	220,419	14,478	25,988	

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circula-tion.	Deposits.
July 15, '15...£119,822	£2,379	£122,001	£15,513	£233,441	£270,612	£86,820	
July 22, '15...119,873	2,441	122,119	16,037	228,265	265,739	85,977	
July 31, '15...120,035	2,226	122,261	13,209	240,081	276,908	82,580	
July 31, '14...82,660	13,741	76,401	2,248	114,164	145,471	82,923	
July 31, '13...56,461	14,452	70,913	1,486	55,121	97,436	29,943	

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	Deposits.
Aug. 1, 1914 ...	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437
July 17, 1915 ...	30,790	165	30,955	6,028	8,914	42,086	3,303
July 24, 1915 ...	31,012	213	31,225	5,920	8,685	41,807	3,901
July 25, 1914 ...	13,509	683	14,195	7,345	5,140	25,870	395
July 28, 1913 ...	12,273	684	12,957	6,878	6,547	25,704	404

ITALY.	Gold.	Cash-Silver.	Total.	Other Cash.*	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14 ...	—	—	—	£48,456	£25,017	£89,204	£8,887
June 20, '15 ...	£45,684	£4,787	£50,471	£4,581	£43,024	£115,001	£32,680
June 30, '15 ...	45,765	4,702	50,467	5,425	41,676	117,076	33,194
June 30, '14 ...	—	—	—	£48,283	£22,994	£67,320	£7,741
June 30, '13 ...	—	—	—	£49,838	£22,737	£65,029	£7,889

\* Including foreign gold bills, State notes, and small change.

N. YORK BANKS & TRUSTS	Own Vaults.	Reserve In Depositories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
July 17, '15 ...	£86,840	£32,582	£119,202	£510,010	£528,804	£7,592	£3,148
July 24, '15 ...	88,282	32,492	120,754	512,266	531,858	7,560	33,520
July 31, '15 ...	89,361	34,254	123,618	514,232	536,478	7,562	35,730
Aug. 1, '14 ...	—	—	89,838	411,238	387,165	8,316	1,720
Aug. 2, '13 ...	—	—	86,872	383,658	356,457	9,380	5,807

NORWAY.	Gold.	Balance Abroad.	For'n Gov. Securities.	Discounts & Loans.	Circula-tion.	Deposits.
July 31, 1914...	£2,960	£1,678	£493	£4,868	£6,752	£793
July 7, 1915...	3,598	3,216	637	4,348	8,115	1,114
July 22, 1915...	3,603	3,128	637	4,234	8,325	1,270
July 22, 1914...	2,892	1,812	496	4,367	6,659	591
July 23, 1913...	2,555	1,648	503	4,119	5,959	497

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circula-tion.	Total Deposits.
July 8, '15...£168,511	£5,464	£173,975	£7,448	£271,978	£369,551	£141,139	
July 14, '15...167,883	5,430	173,313	8,943	277,321	375,556	134,274	
July 21, '15...167,287	5,403	172,670	7,328	284,343	379,671	136,290	
July 21, '14...174,509	7,383	181,892	6,588	76,081	183,411	109,911	
July 21, '13...161,019	7,766	168,785	6,072	75,574	146,427	111,124	

SPAIN.	Gold.	Cash-Silver.	Total.	Loans, &c.	Spanish 4 %	Circula-tion.	Deposits, &c.
Aug. 1, '14...£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,855	
July 23, '15...27,899	29,737	57,636	41,764	13,777	79,900	26,800	
July 31, '15...27,925	29,775	57,700	41,804	13,777	80,032	26,548	
Aug. 1, '14...21,804	29,187	50,991	40,572	13,778	77,557	18,955	
Aug. 2, '13...18,417	29,664	48,281	40,168	13,778	75,628	16,651	

SWEDEN.	Gold.	Balance Abroad.	Swed. Govt. Secs.	Discounts & Loans.	Circula-tion.	Deposits.
Aug. 1, '14 ...	£5,717	£6,150	£1,555	£7,495	£13,432	£3,903
July 17, '15 ...	6,298	4,721	2,695	8,212	14,947	5,873
July 24, '15 ...	6,299	4,491	2,665	7,453	14,575	5,184
July 25, '14 ...	5,878	6,420	1,556	5,136	11,458	3,788
July 26, '13 ...	5,702	3,770	1,067	7,265	10,917	3,083

SWITZER-LAND.	Gold.	Cash-Silver.	Total.	Discounts & Advances.	Circula-tion.	De-posits.
July 31, 1914...	£7,675	£238	£7,913	£10,391	£16,371	£3,128
July 23, 1915...	9,601	2,232	11,833	7,217	15,926	4,033
July 31, 1915...	9,601	2,265	11,866	7,647	16,406	3,725
July 31, 1914...	7,875	238	7,913	10,391	16,371	3,128
July 31, 1913...	6,738	1,221	7,959	5,264	11,297	1,912

July 31, 1913...	6.8	1.221	7.999	5.264	11.297	1.942		
U.S. STATES FED. RES. BANKS.	—Cash— Gold Coin and Certs.		Total.	Loans and Discounts.	Reserve Deposits.	Circu- lation.	Total Re- sources.	Gold Res. against Net Liabilities.
July 2, 1915...	\$52,857	\$57,426	\$7,237	\$59,576	\$2,559	\$73,296	87.9%	
July 9, 1915...	53,248	67,747	7,335	59,161	2,675	73,077	87.8%	
July 16, 1915...	52,237	67,536	7,528	59,523	2,648	73,576	85.3%	

## III.—PUBLIC INCOME AND EXPENDITURE.

[000's omitted.]

1915. Period	Receipts—		Expenditures—		Treasury		Treasury	
	Revenue	Loans	Supply	Debt	Balance	+ or -	Balance	Out-
	£	£	£	£	£	£	£	£
10 days to July 10	6,825	8,839	35,770	4,739	40,539	36,024	-31,670	251,813
7 " July 17	4,895	33,647	21,976	3,512	25,488	44,183	+ 8,159	249,497
7 " July 24	3,991	154,396	18,823	101,334	120,157	78,422	+34,233	244,707
7 " July 31	2,551	103,225	32,776	4,949	37,716	143,931	+65,509	245,884
123 days to July 31, 1915	69,360	587,139	357,961	168,698	526,659	143,931	+60,483*	+163,734*
124 days to Aug. 1, 1914	54,935	58,460	50,323	13,511	63,834	5,060	-5,375*	—

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

LONDON ON—	Aug. 5, '15	July 29, '15	July 22, '15	July 15, '15
Holland .....	12 1/4	12 1/4	12 1/4	12 3/4
— Cable .....	11 75/8	11 3/4	11 87/8	11 92
Italy .....	30 10	30 67/8	29 72/8	28 65/8
— Cable .....	29 70	30 27/8	29 62/8	29 25
Lisbon & Oporto .....	35 1/2	36 1/2	36 1/2	36 1/2
New York .....	4 76 1/2	4 76 1/2	4 77 1/2	4 77 1/2
— Cheques .....	4 74 1/2	4 77 1/2	4 77 1/2	4 78 1/2
Paris .....	27 30	27 40	27 25	27 07
— Cable .....	26 90	26 50	26 82 1/2	26 67 1/2
Petrograd .....	148	148 1/2	142 1/2	137 1/2
Scandinavia .....	18 35	18 25	18 55	18 70
Spain (Bank places) 3 mos. ....	4 1/2	4 1/2	4 1/2	4 1/2
— Cable .....	24 9 1/2	25 10	25 12 1/2	25 05
Switzerland .....	25 80	25 97 1/2	25 55	25 05
— Cable .....	25 40	25 57 1/2	25 66	25 65

## Foreign Rates of Exchange on London, &amp;c.

	Aug. 6, '15	July 29, '15	July 23, '15	July 16, '15
Alexandria .....	97 1/2	97 1/2	97 1/2	97 1/2
Amsterdam .....	11d. 75c.	11d. 80c.	11d. 87 1/2c.	11d. 89c.
Bombay .....	1s. 3 3/4d.	1s. 3 3/4d.	1s. 3 3/4d.	1s. 3 3/4d.
Buenos Ayres .....	48 1/2	48 1/2	48 1/2	48 1/2
Calcutta .....	1s. 3 3/4d.	1s. 3 3/4d.	1s. 3 3/4d.	1s. 3 3/4d.
Christiana .....	18kr. 30	18kr. 25	18kr. 55	18kr. 55
Copenhagen .....	18kr. 30	18kr. 25	18kr. 55	18kr. 55
Hong Kong .....	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2
Italy .....	29 1/2	29 1/2	29 1/2	29 1/2
Lisbon .....	35 1/2	36 1/2	36 1/2	36 1/2
Madrid .....	24p. 82 1/2	25p. 10	25p. 10	25p. 05
Montevideo .....	52 1/2	52 1/2	52 1/2	52 1/2
Montreal .....	84 77 1/2	84 80	84 80	84 81 1/2
New York .....	84 76 1/2	84 76 1/2	84 76 1/2	84 76 1/2
— 60 days .....	84 71 1/2	84 72	84 72	84 72 1/2
— on Paris .....	84 76 1/2	84 76 1/2	84 77 1/2	84 77
— on Berlin .....	81 1/2	81 1/2	81 1/2	81 1/2
— on Vienna .....	15 20c.	15 10c.	15 20c.	15 10c.
— on Amsterdam .....	40 1/2	40 1/2	40 1/2	40 1/2
— on Mexico .....	37 1/2c. U.S.	36 1/2c. U.S.	36 1/2c. U.S.	36 1/2c. U.S.
Paris .....	26 1/2	27 1/2	26 1/2	26 1/2
Petrograd .....	147 1/2	145 1/2	143 1/2	138
Rio de Janeiro .....	12 1/2	13 1/2	13 1/2	13 1/2
Shanghai .....	2s. 2 1/2d.	2s. 2 1/2d.	2s. 2 1/2d.	2s. 2 1/2d.
Stockholm .....	18kr. 30	18kr. 25	18kr. 55	18kr. 55
Switzerland .....	25 1/2	25 1/2	25 1/2	25 1/2
Valparaiso .....	8 1/2	8 1/2	8 1/2	8 1/2
Bar Gold, standard, per oz. ....	77s. 9 1/2	77s. 9 1/2	77s. 9 1/2	77s. 9 1/2
Bar Silver (.925) .....	22 1/2	22 1/2	22 1/2	22 1/2

\* Previous day's rates. † Foreign exchanges current in New York, according to cable advices from Irving National Bank of that city.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*	%
BIRMINGHAM .....	July 31	1,645,643	-	316,788	50,452,349	+ 2.9
BRISTOL .....	" 31	727,000	-	59,000	23,803,000	+ 2.9
DUBLIN .....	" 31	3,871,100	+ 889,500	113,994,500	+11,273,400	+10.9
LEEDS .....	" 31	728,081	+ 83,678	19,702,541	+3,573,007	+22.1
LIVERPOOL .....	" 31	355,369	+ 47,942	12,192,914	+2,544,895	+21.9
MANCHESTER .....	" 31	5,868,185	+ 237,282	166,839,897	+17,710,759	+11.9
NEWCASTLE .....	" 31	6,349,319	+ 257,645	203,415,699	+14,184,425	+ 6.5
NOTTINGHAM .....	" 31	1,253,000	+ 132,000	43,591,300	+ 6,968,200	+19.0
SHREFFIELD .....	" 31	332,990	- 53,797	10,719,450	+1,115,670	+ 9.4
BRISTOL .....	" 31	569,655	- 43,844	17,823,060	+1,524,410	+ 9.3
LONDON—	1915.	(000's omitted from the London clearings)				
TOWN .....	Aug. 4	219,287	+ 80,013	6,342,354	+2,584,482	+28.9
METROPOLITAN .....	" 4	17,333	+ 7,337	566,939	+ 32,088	+ 6.0
COUNTRY .....	" 4	24,143	+ 11,489	919,859	+ 89,150	+10.7
TOTAL .....	" 4	260,763	+ 98,839	7,829,152	+2,463,244	+23.9

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH" OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1915	1915	1915
June 25	£5,083	£5,047
July 14	£4,805	£4,805
July 29	£3,882	£3,882
1915 Agg.	570,242	570,242
1914	570,242	570,242
1913	570,242	570,242

\* Compared with a year ago.

## VI.—FREIGHTS.

According to Messrs. Farrar, Groves and Company, the following are the quotations for representative steam freights:—

HOMEWARDS.	1915.	1914.	HOMEWARDS—continued.	1915.	1914.
Alexandria to London/Hull	20/0	—	U.S. Atl. Ports to U.K.	—	—
Australia to U.K. or Cont.	—	—	Cont. (grain)	8/6	—
Azoff to L.H.A.R.	—	—	N.O. to L.H. (cotton)	15/0	—
Bombay to p.p.	d.w. 52/6	—	N.O. to U.K. (cotton)	9/9	—
Burma o.o.	—	—	OUTWARDS.—Cardiff to	—	—
Calcutta to p.p.	d.w. 87/6	—	Bom. Col. Port River St. Vin.	—	—
Danube to A.R.	—	—	bay. ombo. Said. Plate. cent.	—	—
Odessa to L.H.A.R.	—	—	1915...	22/8	27/3
River Plate to U.K. Cont.	65/0	—	1914...	—	18/0
U.S. Atl. Ports to L.H. (cotton)	—	—			

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

	1915.	1914.	1913.
METALS, MINERALS, &c.			
Iron—Scotch pig warrants .....	72/3	67/3	63/0
— Middlebrook warrants .....	66/4 1/2	61/1 1/2	54/10
— Hematite warrants .....	95/0	81/0	69/9
— Staffordshire bars, London .....	£12	£8 10	£9 10
— Common bars .....	£11 12/6	£8 10	£6 10
— Stock, Middlebrook .....	144/670	394/223	192/815
Steel Rails .....	£9 2/6	£5 15	£8 12/6
Copper—Standard .....	£71 17/6	£57 2/6	£88 5
— Stock, Europe & Ind. July 31 tons .....	40,236	33,812	35,627
Tin—English ingots .....	£154	£138 10	£191
— Straits .....	£153	£135	£187 5
Tipplates—Coke I.O. ....	18/9	13/3—17/8	14/3—18/8
Lead—Soft Foreign .....	£23 2/6	£18 15	£20 15
Spelter—Ord. Foreign .....	£30	£21	£20 10
Quicksilver—(75lb.) .....	£18	£8 15	£7 5
Aluminium .....	£160—£170	£22—£24	£26—£28
Antimony—Regular .....	£120—£125	£28—£28	£28 10—£31 10
Coal—Steam (best) Cardiff .....	nom.	20/0	21/8
— (best) Newcastle .....	22/0	15/6	15/8

CHEMICALS, OILS, &c.			
Nitrate of Soda—Chemical cwt. ....	13/6	10/4 1/2	11/0
Soda—Crystals ex ship .....	£2 2/8—£2 5	£2 2/8—£2 5	£2 2/8—£2 5
Cochineal—Teneriffe Silver .....	2/1	1/10—2/0	1/10—2/0
Copra—Malay & Straits .....	£23	£24—£24 2/6	£31—£32 5
Gambler—Good marks .....	31/3	18/10 1/2	17/3 1/2
Indigo—Bengal good to fine .....	12/6—15/0	3/2—3/8	3/0—3/6
Linseed Oil—Spot, barrels .....	£25 15	£25 12 1/2	£26—£26 5
Linseed—Calcutta, spot .....	54/8	52/3	46 7/8
Olive Oil—Spanish .....	£53—£54	£49—£50	£48—£49
Palm Oil—Lagos .....	£31	£31 10	£37 10
Petroleum—American .....	—/9	—/7 1/2	—/8 1/2
Rape Oil—Refined English .....	£38—£40	£32	£33
Soya Oil .....	£22	£25	£26 5
Tallow—Aust. mixed .....	32/0—34/9	28/6—32/6	33/6—36/3
Turpentine—Amer. Spirit .....	33/10 1/2	33/10 1/2	27/4 1/2
Rape Seed—Toria .....	50/6	51/0	51/0
Rubber—Para, spot .....	2/5 1/2	2/10 1/2	3/10
— Fine plantation .....	2/5 1/2	2/1 1/2	2/9 1/2
— World's Vis. sup. all kinds .....	25/005	22/202	17/583
Shellac—T. N. Orange fair best .....	60/0—61/0	60/0—61/0	95/0—96/0

TEXTILES.			
Cotton—Middleling Upland .....	—/5 48	—/6 91	—/6 49
— Egyptian good fair .....	—/7 15	—/8 55	—/9 10
— Pernambuco, fair .....	—/5 96	—/7 28	—/6 68
— Mid. Upl. New York .....	9/40c.	12/75c.	12/00c.
— Stock, Liverpool, July 29 bales .....	1,462.110	853.180	765.820
Flax—Petrograd, Yarpol .....	£57	£38 nom.	£32 10
Hemp—N. Zealand .....	£32	nom.	£32
— Manila, fair .....	£38	nom.	£32
Jute—First Marks, spot .....	£22 10	£35 10	£31
— Red S.O. .....	£20	£30	£26 15
Silk—Blue Elephant .....	8/8	11/6—11/9	10/9—11/0
Wool—Pt. Philip unwashed av. lb. ....	1/0—1/1	—/11—1/0	—/11—1/0 1/2
— Lincoln Half Hogs .....	1/6 1/2	1/0	1/0 1/2
Hides—English Ox, 90lb. & over lb. ....	—/8 1/2—10 1/2	—/8 1/2—7 1/2	—/7—7 1/2
Leather—Dressing Hides .....	2/1—2/7	1/4—1/8	1/4—1/8

VEG. FOOD, CORN, &c.			
Wheat—Vis. sup. U.S. Aug. 2 bus. ....	6,630.000	30,035.000	38,874.000
— Red, price, N.Y. 60lb. bushel .....	117 1/2	98 1/2	95 1/2
— English Gazette, aver. 480lb. qr. ....	55/3	34/2	34/1
Flour—Lond. Whites ex Mill 230lb. qr. ....	46/0	36/6	31/0
Barley—Eng. Gaz., aver. 400 lb. qr. ....	36/1	25/9	24/5
Oats—Eng. Gaz., aver. 312lb. qr. ....	31/1	19/8	20/3
Maize—N.Y. (new bushel) 56lb. ....	nom.	83c.	78 1/2c.
— Amer. mixed, Liverpool 100lb. ....	8/9	8/0	4 11/2
— La Plata .....	33/0	32/0	23/7 1/2
Potatoes—Kents .....	75/0—80/0	70/0—75/0	92/8
Rice—Imports since Jan. 1 .....	28,531	10,858	8,106
— Deliveries do. .....	18,531	7,900	10,359
— Stock .....	16,917	7,653	5,102
— Price, Bassee .....	17/0	16/6	7/8—7/9
Taploca—Pearl, medium .....	18/6—23/0	14/0—17/6	17/0—24/0
Hay—Best .....	100/0—112/6	82/6	95/0—108/0
Hops—English .....	25—26 6	28 5—27	25 10—28 10

ANIMAL FOOD.			
Beef—Argen. chilled hndqrs. 8lb. ....	5/6—5/10	4/10—5/8	3/2—3/6
— Scotch sides .....	6/8	4/8—5/8	5/0—5/2
— English .....	6/0—6/4	4/8—5/0	4/2—4/6
Mutton—Scotch .....	8/0—8/4	5/8—6/4	5/2—5/6
— English wethers .....	5/4—8/0	4/8—5/0	4/2—5/0
— New Zealand frozen .....	4/5—4/10	3/0—3/4	2/9—3/0
Pork—English .....	5/8—6/0	5/0—5/4	4/6—5/0
Bacon—Irish .....	36/0—101/0	96/0—100/0	80/0—90/0
— Danish .....	32/0—99/0	96/0—100/0	76/0—80/0
Hams—Amer. long cut .....	72/0—78/0	84/0—90/0	80/0—90/0
— short cut .....	64/0—69/0	—	80/0—85/0
Lard—Amer. pails .....	42/3—43/6	62/6—65/0	59/0—59/6
Butter—Danish .....	170/0—174/0	140/0—150/0	118/0—120/0
— Siberian .....	120/0—134/0	130/0—140/0	88/0—100/0
— French .....	120/0—146/0	—	90/0—108/0
— New Zealand .....	—	—	—
— Australian .....	—	—	94/0—109/0
Cheese—Canadian .....	74/0—76/0	—	63/0—68/0
— New Zealand .....	74/0—78/0	—	64/0—66/0

SUGAR, COFFEE, TEA, &c.				
Sugar—Imports since Jan. 1	tons	384.181	454.636	531.471
— Deliveries do.	tons	512.432	446.305	478.444
— Stock	tons	75,275	122,866	108,899
— Price, Java, 96° Pol.	cwt.	20/0	10/3	10/3
— Mauritius, crystals	cwt.	24/6—28/0	13/6—15/0	15/0—15/3
— Tate's Cubes, No. 1	cwt.	31/0	31/0	18/3
Coffee—Imports since Jan. 1	tons	44,804	38,163	28,667
— Home consumption do.	tons	12,801	9,417	9,437
— Exports do.	tons	17,592	17,924	11,299
— Stock	tons	27,422	21,300	16,313
— Price Costa Rica, gd. to fine	cwt.	77/0—85/0	80/0—93/0	78/0—85/0
— Brazil (Santos) spot	cwt.	36/6	36/0	41/6
Tea—Imports, (for 6 months)	lb.	183,860,760	123,230,277	117,460,581
— Home consumption do.	lb.	166,499,597	155,447,972	149,687,985
— Exports do.	lb.	29,968,213	26,561,765	27,098,250
— Stock, June 30	lb.	79,617,000	77,438,000	77,099,000
— Price, Indian, Pek Song, good	lb.	-/11	-/8	-/8
— Ceylon, Pek, Song, Ord.	lb.	-/11	7/-8	-/8
— Common Congou	lb.	-/8	-/6	-/4
Cocoa—Grenada, good to fine	cwt.	78/0—82/0	53/0—55/6	67/0—69/0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Bel. & O. Down	July 30	80	—	£4,432 +	23	30	112,720 +	10,553
Cork, Ban. & S.O.	July 30	103	—	2,281 +	62	30	61,628 +	3,086
Dublin & S.E. July	30	160	—	6,328 +	410	30	180,887 +	3,685
Gt. Northern	July 30	661	—	25,815 +	1,335	30	683,565 +	22,115
Gt. S. & Western	July 30	1,130	—	37,242 +	1,141	30	964,806 +	68,616
Mid. Gt. West.	July 30	638	—	10,983 +	2,822	30	372,988 +	6,616

\* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Assam Bengal	July 31	862	+11	1,28,000	—	11,041	17,95,078 +	44,596
Barel Light	July 10	118	—	15,300	—	21,000	1,32,000	—
Bengal & N.W.	July 31	2,041	+13	3,54,540	—	18,190	53,70,997 +	8,27,306
Bengal Doonars	June 26	163	—	29,590	—	3,461	3,14,894	—
Beng. Nagpur	July 10	2,685	+7	8,13,000	—	86,000	1,16,17,000	—
Bomb. Baroda	July 31	2,859	+32	8,66,000	—	37,000	2,11,79,000	—
Burma	July 31	1,342	—	3,31,676	—	94,473	54,90,712	—
East Indian	July 31	2,718	—	17,82,000	—	2,04,000	3,75,54,000	—
Gt. Indian Pen.	July 31	2,981	+15	12,62,700	—	2,09,200	2,80,31,689	—
Madras & S.M.	July 10	3,132	—	8,70,000	—	6,419	1,36,71,499	—
Nizam's Guar.	July 31	797	—	1,55,643	—	19,736	26,72,529	—
Roh. & Kumaon	June 26	560	+18	79,782	—	4,429	10,79,854	—
South Indian	July 10	1,763	+10	6,68,416	—	16,768	82,86,845	—
South Punjab	M. of Mar.	823	—	6,89,429	—	1,16,571	37,46,996	—

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Can. Northern	July 31	4,995	+295	\$391,100	—	87,300	1,206,100	—
Can. Pacific	July 31	12,921	+694	2,476,000	—	705,000	7,447,000	—
Gd. Trk. Pac.	July 31	916	—	114,170	—	5,968	45,484	—
Grand Trunk	July 31	4,008	—	255,497	—	16,048	4,542,695	—
Grd. Trunk W.	July 31	338	—	44,004 +	1,935	30	848,076 +	10,499
Det. Grd. Ha.	July 31	189	—	18,350 +	1,799	30	296,376 +	959
Mashallah	M. of May	751	—	36,180	—	25,885	304,490	—
Mid. W. Aust.	M. of May	277	—	5,795	—	4,952	93,781	—
New Cape Cent.	July 10	205	—	1,428	—	121	51,653	—
Rhodesia Ry.	M. of May	1,397	—	61,504	—	26,653	483,135	—

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Alcoy & Gandia	July 31	33	—	Pa. 8,300	—	7,200	399,200	—
Antofagasta	Aug. 1	819	—	30,870	—	3,930	686,445	—
Arauco	M. of June	844	—	5,250	—	712	37,878	—
Arg. N. East.	July 31	752	+ 85	6,760	—	2,110	26,944	—
Arg. Transand.	July 24	111	—	160	—	120	630	—
Bolivar	M. of June	110	—	8,250	—	1,648	86,169	—
Brazil	M. of Apr.	3,382	—	3,090,000	—	239,757	12,681,000	—
Paulista	M. of Apr.	721	—	1,550,000	—	69,123	7,350,000	—
Mogiana	M. of Apr.	1,131	+ 67	1,313,000	—	125,225	8,570,000	—
B.A. & Pacific	July 31	3,535	+ 29	90,000	—	15,000	354,000	—
B.A. Gt. So.	Aug. 1	3,792	+ 63	76,000	—	7,000	353,908	—
B.A. Western	Aug. 1	1,867	+ 75	46,000	—	4,000	193,000	—
Cent. Argentine	July 31	3,307	+ 45	112,400	—	2,400	536,000	—
Cent. Uruguay	July 31	271	—	9,659	—	258	46,352	—
(B. Ext.)	July 31	311	—	3,105	—	280	15,061	—
(N. Ext.)	July 31	185	—	1,897	—	34	8,452	—
(W. Ext.)	July 31	211	—	1,206	—	31	6,095	—
Colomb. Nat.	M. of May	86	—	9,612	—	2,928	47,412	—
Col. Ry. & Nav.	M. of May	854	—	19,809	—	6,677	224,066	—
Cord. Central	July 31	1,186	—	40,400	—	65	167,950	—
Cuban Central	July 24	354	+ 9	8,634	—	1,694	27,408	—
Dorada Ext.	M. of June	71	—	8,400	—	1,400	44,500	—
Egyptian Delta	July 10	619	—	4,585	—	1,294	39,230	—
Entre Rios	July 31	730	—	9,300	—	1,200	39,200	—
Gt. S. of Spain	July 24	104	—	60,859	—	14,856	1,703,548	—
Gt. W. Brazil.	July 31	1,010	—	5,900	—	2,900	308,500	—
La Guadalupe	M. of July	23	—	6,750	—	2,250	49,000	—
Leopoldina	July 31	1,808	+ 54	31,444	—	3,292	865,565	—
Manila North	July 31	315	+ 10	3,362	—	956	176,273	—
South	July 31	268	+ 91	3,148	—	84	117,957	—
Mid. Uruguay	M. of June	319	—	10,532	—	580	113,751	—
Nitrate (2 wks.)	July 31	368	—	20,345	—	10,917	169,179	—
N.W. Uruguay	M. of June	113	—	22,360	—	333	232,228	—
Paraguay Cent.	July 31	255	—	431,000	—	175,000	1,662,000	—
Peruvian Corp.	M. of July	1,059	—	724,838	—	262,661	19,858	—
Puerto Cabello	M. of May	24	—	3,737	—	613	116,000	—
Salvador	July 10	100	—	18,000	—	2,750	135,394	—
San Paulo	July 25	163	—	39,230	—	2,508	132,886	—
Taitai	M. of June	184	—	10,500	—	14,220	106,553	—
U. of Havana	July 31	681	—	24,216	—	5,319	18,163	—
Urug. Northern	M. of June	73	—	1,936	—	132	23,357	—
W. of Havana	July 31	147	—	5,436	—	1,033	43,248	—
Zafra & Hiva	M. of June	112	—	7,061	—	6,058	—	—

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine	July 29	369	+21	£ 17,136	—	3,899	1,531,614	—
Ankland (4 wks.)	June 30	251	—	19,139	—	316	287,248	—
Brazilian Traction	M. of June	30	—	8,591,940	—	403,040	37,684,110	—
Brisbane El. Tric.	M. of July	31	—	31,150	—	1,470	209,602	—
Bristol	July 30	31	—	10,179	—	1,690	280,902	—
British Columbia	M. of June	242	+ 51	498,093	—	162,290	7,308,583	—
Calcutta	July 31	361	—	62,717	—	6,089	19,86,220	—
Cape Electric	M. of June	42	—	16,405	—	451	202,615	—
Card. & Harro.	M. of July	9	—	2,157	—	259	12,805	—
Cork Electric	July 29	91	—	1,012	—	18	33,072	—
Dublin United	July 30	64	—	6,073	—	118	182,060	—
Havana	July 18	18	—	54,245	—	831	1,475,476	—
Iale of Thanet	July 31	22	—	738	—	861	15,215	—
Kalgoorlie	M. of May	204	—	3,269	—	244	33,472	—
Langkashire	July 29	28	—	1,973	—	436	56,899	—
London C.C.	July 28	141	—	46,089	—	3,164	717,187	—
Madras Electric	July 31	—	—	30,480	—	579	405,411	—
Manila Electric	M. of June	—	—	116,875	—	15,625	726,002	—
Provincial	July 31	214	—	2,623	—	103	90,549	—
Rangoon Electric	M. of July	25	—	4,629	—	346	34,374	—
U. of Montevideo	M. of July	80	—	24,268	—	3,783	226,692	—
Yorks. W. Rdng.	Aug. 1	24	—	1,776	—	263	48,201	—

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian sales. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,747 miles of road. (f) Aggregate of New York City's monthly compilations. (M) Miles. (\*) Compared with previous year. (†) Months. (‡) Track miles. (¶) Includes Detroit, Grand Haven and Milwaukee Railway. (‡) No. of cars. (¶) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
483 Cos. (000's omitted)	May	\$244,893	—	\$13,325	—
	to May	2,688,666	—	155,995	—
Alabama Gt. Southern	May	412,000	—	1,000	—
	to May	4,384,000	—	610,000	—
Ala. New Or. Tex. & Pac.	June	125,000	—	22,000	—
Ala. & Vicksburg	June	1,523,000	—	375,000	—
New Orleans & N.E.	June	297,000	—	35,000	—
	to June	3,564,000	—	568,000	—
Vicks. Shreve. & Pac.	June	120,000	—	4,000	—
	to June	1,417,000	—	424,000	—
Atchafalpa, Top. & S.F.	June	9,952,000	—	680,000	—
	to June	117,665,000	—	6,555,000	—
Atlantic Coast Line	June	2,327,000	—	524,000	—
	to June	31,536,000	—	5,295,000	—
Baltimore & Ohio	June	8,663,000	—	702,000	—
	to June	91,815,000	—	7,349,000	—
Canadian Northern	June	1,201,300	—	454,000	—
	to June	17,225,600	—	6,475,000	—
Canadian Pacific	June	7,512,000	—	2,642,000	—
	to June	98,865,000	—	30,550,000	—
Chesapeake & Ohio	May	3,523,000	—	459,000	—
	to May	35,827,000	—	1,895,000	—
Chicago & N. Western	June	6,810,000	—	652,000	—
	to June	83,148,000	—	4,555,000	—
Chic. Burl. & Quincy	May	6,957,000	—	306,000	—
	to May	83,864,000	—	2,238,000	—
Chicago Great Western	May	1,088,000	—	10,000	—
	to May	12,739,000	—	445,000	—
Chic. Mil. & St. Paul	June	7,811,000	—	44,000	—
	to June	91,435,000	—	2,178,000	—
Chic. Rock I. & Pacific	May	6,337,000	—	362,000	—
	to May	65,288,000	—	2,816,000	—
Ch. St. P. Min. & Omaha	May	1,311,000	—	32,000	—
	to May	16,731,000	—	315,000	—
Clev. Cin. Chic. & St. L.	June	2,885,000	—	30,000	—
	to June	17,043,000	—	459,000	—
Colorado & Southern	May	1,000,000	—	75,000	—
	to May	13,082,000	—	846,000	—
Cuba Railroad	May	541,000	—	78,000	—
	to May	4,749,000	—	17,000	—
Delaware & Hudson	May	1,679,000	—	24,000	—
	to May	8,868,000	—	89,000	—
Denver & Rio Grande	May	1,734,000	—	45,000	—
	to May	19,957,000	—	1,811,000	—
Erie Railroad	June	5,438,000	—	125,000	—
	to June	29,615,000	—	1,171,000	—
Grand Trunk Railway	June	7,775,700	—	333,400	—
	to June	4,047,150	—	373,300	—
Grand Trunk Western	June	129,000	—	4,800	—
	to June	7,143,000	—	5,250	—
Great Northern	May	\$4,800,000	—	\$1,185,000	—
	to May	61,940,000	—	8,811,000	—
Hocking Valley	May	518,000	—	76,000	—
	to May	5,668,000	—	876,000	—
Illinois Central	June	4,881,000	—	400,000	—



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# **The Statist.**

LONDON, SATURDAY, AUGUST 7, 1915.

## **FINANCING THE WAR.**

THE important work of educating the country upon the financial necessities of the nation is proceeding vigorously. In one way or another everyone in cities, towns, and villages is having the matter carefully and fully explained. And no one with a knowledge of the temper and character of the British people can doubt what the result will be. At the beginning of the War one or two individuals imagined that the working classes of this country would be opposed to war, but the action of everyone, whether they were Trade Unionists or Socialists, or Nonconformists or Suffragists, or members of any other democratic body, immediately showed that the great working classes emphatically approved of the action of the Government and were anxious to support it, whatever the consequences or the cost might be. The great recruiting campaign, carried on unremittingly since war was declared, has proved beyond the shadow of doubt the great loyalty of the British people and their willingness to bear any burdens they are called upon to bear in the defence of their country and of the principles for which their country stands. Hitherto, the demand of the Government has been for men and for still more men. And the response has exceeded the anticipations even of persons who had great faith in the patriotism and in the devotion of the British people to their country. The vast army of 3,000,000 of men now brought together has come from all classes of the nation and from all parts of the Empire, from the very poor as well as from the very rich.

Having supplied men so generously for the army that is now being trained, is it not evident that all classes, the poor, the moderately well-to-do, and the rich will be equally anxious to supply the means of

equipping, training, and maintaining this great army? Last week we published a letter from "An Economist of the New School," in which the writer stated "that the real revenue to cover any material portion of the cost of the War must be obtained from the people whose incomes exceed £500 a year." Has not the writer in his desire to protect the working classes from war burdens overlooked the fact that every British family, poor as well as rich, desires to contribute money as well as men for the defence of the nation, and that to deny a British citizen this privilege is to deny him his birthright? And the women are just as anxious to contribute as the men. In the matter of life all men are equal, and poor and rich alike have demonstrated their common anxiety to stand shoulder to shoulder in defence of their country, of their hearths, and of their principles. And shall the poor and the moderately well-to-do be denied the privilege of making any pecuniary sacrifice for the country they love? It is not a question of whose life or whose wealth shall be contributed, it is the wish of everyone, however rich or however poor, to contribute, if necessary, all that he or she possesses—life as well as treasure. To give life or wealth to one's country in its hour of need is a privilege to be prized. It is, of course, for the Government in power to accept services or money for the use of the nation only from those persons from whom they can be accepted with advantage to the nation. Obviously it would be improper to accept contributions from the very poor when such contributions would mean loss of health and inefficiency. The task of our statesmen at the present time, indeed, is merely to inform the country of what is needed, either in men or in money, and to devise the most effective and economical method of gathering in the contributions. When the country knew how many men were needed the men came forward freely, and with the one desire that they should be trained, equipped, and sent to the Front with the least possible delay.

And it is obvious that the country will give a similar response to the demand for money. Everyone will desire to contribute to the sum needed when they know the amount required.

The Government has evidently been anxious to impose no financial burden upon the country that was avoidable. The country possesses a great fund of accumulated wealth, and in such a time as this the Government was warranted in using that wealth as far as possible for meeting the cost of this great War. When we consider that over the last 100 years, since the days to which our correspondent referred, the wealth of the nation has increased about 600 per cent., while the population has grown only 130 per cent., such an attitude was not without justification. Nations as well as individuals save in years of peace and of plenty against the heavy expenditures that have to be met in periods of war and of stress. Unfortunately the War is so great, and includes so many nations, that the country is unable to realise any substantial part of its great accumulations of capital. The only country in the world that is able to repay the capital previously lent to it is the United States, and the amount of money that can be obtained from that country is quite limited. Consequently, against the apparent wish of the Government and against what would be the natural course pursued either by a wealthy person or by a wealthy nation when exceptional expenditures have to be faced, the country is compelled to meet its great war outlays out of income and not out of capital. In these circumstances the next course to pursue was to invite the wealthy classes to meet the war expenditures out of their great income, and if it had been humanly possible the wealthy people of this country would have found all the money needed. Unfortunately (shall we not say fortunately?), the country has agreed to spend so vast a sum of money that the aggregate incomes of the wealthy are quite inadequate for the purpose. Indeed,

the total income of everyone subjected to income tax is insufficient to provide the great sum required. But it is obvious that the working classes, now that they are no longer in the economic and political condition they were a century ago, would not for one moment permit the wealthy alone to make all the financial sacrifices that are required for the defence of their common country, even if it were possible for them to do so.

As there seems to be some doubt as to the amount of money that is needed, we would ask our readers to note that in the period from the beginning of April to July 31 the Governmental expenditures have been £373,000,000, or at the rate of slightly over £3,000,000 a day; that beyond this amount a sum has been paid to the Bank of England amounting to £96,000,000, making a total of £469,000,000. Furthermore, in July war expenditures were at the rate of over £3,300,000 per day, and the total expenditures at the rate of no less than £3,700,000 per day. If for the remainder of the financial year the total expenditures are at the rate of £3,500,000 a day, against £3,700,000 a day in July, the total expenditures of the nation in the current fiscal year will reach £1,323,000,000. Towards meeting this sum the revenue is expected to reach £270,000,000. Thus, the additional sum to be provided in the current year is £1,053,000,000. Moreover, it is evident that while the War lasts the country will have to provide an annual sum for war purposes of something like £1,100,000,000 (£3,000,000 per day), and that the recurring deficit to be provided for is upwards of £1,000,000,000.

In considering ways and means of covering this great deficit of £1,000,000,000 it is essential to recollect that the tax on very large incomes is already at the rate of 5s. in the pound, that on incomes of from £2,000 to £3,000 it is 2s. 6d. in the pound, that on incomes of about £700 a year it is 2s. in the pound. At these rates the income tax and super-tax, less the rebates on smaller incomes, are expected to yield £103,000,000 in the current year. The total incomes liable to income tax without making any deductions whatever for abatements does not exceed £1,100,000,000, and allowing for the tax already imposed, the total incomes of the income tax paying classes is about £1,000,000,000. Of this sum the incomes of persons enjoying over £500 a year, after the payment of existing taxes, is not more than £750,000,000.

It would be reasonable to expect these wealthy persons, enjoying about one-third of the nation's total income, to provide a sum of £500,000,000 by loan or by taxation over and above their existing taxes, and for the remainder of the community enjoying the other two-thirds of the nation's income to supply the remaining £500,000,000 that is required by loan or by taxation. But it is obviously impossible for persons whose total incomes are no more than £750,000,000, after the payment of existing taxation, to provide the whole of the £1,000,000,000 a year needed to cover the recurring budget deficits even with the best will in the world. Moreover, if it were possible for them to do so there would not be that universal economy and efficiency among all classes which would permit the country to pay for its existing great purchases from abroad. And it is essential that the country should not merely cover its budget deficits but should be in a position to pay for the goods it is buying from foreign nations.

Therefore, as the Prime Minister pointed out, all the conditions demand—

(1) Economy both in public and in private expenditures.

(2) That all classes shall assist in meeting the necessary expenditures of the State.

(3) Diminished consumption and increased production.

(4) Smaller imports and greater exports.

All these things can and will, we believe, be attained. But to attain them the patriotism and hearty co-operation of all classes of the community is essential. It is for each one of us, poor, comfortable, and rich alike, to do all that we are capable of doing by devoting ourselves, our wealth, our income, and, if necessary, our lives, to the service of our country in these days of supreme danger and of trial. Our confidence in the future is based upon the proved temper and character of the British people in times of trial and of difficulty and the willingness and anxiety they have always shown to help to bear any burdens to be borne or to face any danger to be overcome.

## THE SPIRIT OF THE ALLIES.

THE Russian Duma reassembled on Sunday last, and in the discussion which ensued the principal Ministers all spoke in a spirit befitting the Government of a great people at a critical moment. The substance of their statements may be summed up as follows: That Russia was taken unprepared by a sudden unprovoked attack; yet that she has been able to mobilise and bring into the field a very great Army with exceptional speed; that she recognises the loyalty with which her Allies have acted, and the determination of them all to take such measures as will effectually rid the world of Prussian militarism; that both this country and France have acted with the most perfect loyalty in every respect and have done everything that could be expected of them to co-operate with those who are engaged in repelling German aggression; that the accession of Italy strengthens the cause of those who are fighting for civilisation and progress; that, happily, the relations of Russia with Japan are now so good that they give ground for hope that permanent and cordial friendship may be established between the two Empires; that for the moment, owing to the unprepared state in which Russia found herself when War was forced upon her, she has had to retire from the greater part of Poland, but that she is perfectly loyal to the promises she made to the Poles; and that the whole Russian people, without distinction of race or creed, are standing shoulder to shoulder and will persevere in the great struggle into which they have been driven until an honourable and enduring peace is secured. The Prime Minister and the Minister for Foreign Affairs were especially emphatic in their recognition of the services rendered by the Western Powers and in their own pledges that Russia will act up to all her promises. The Minister of Finance mentioned, what it is very satisfactory to learn, that the loss caused by the abrogation of the Liquor Monopoly has been practically made good, and that the finances of Russia now make it certain that the Empire will be able to carry through all its promises. Perhaps not the least encouraging of all the speeches was that of the Minister of War, who, with a soldierlike frankness and a confidence in the resources of the country which does honour to him, declared that for the moment it may be necessary to evacuate Warsaw, but that such a measure will no more mean submission to the conqueror than the evacuation of Moscow did a century ago. Altogether, the speeches were everything that could be desired, and they are well calculated to inspire with confidence every subject of the allied countries who reads them carefully. It may be added as a specially satisfactory feature in the discussion that a Polish representative subsequently declared that Poland had accepted the promises made by the Russian Government through the mouth of the Grand Duke Generalissimo, and that she would act up to what was expected of her, although her fields are being desolated and her towns subjected to every kind of barbarity. Finally, the Duma agreed to a motion pledging itself to support the Government in all measures necessary to bring the War to a triumphant conclusion. Altogether, then, the discussion gives proof that the

Russian people are in a position of great anxiety, and that they are determined, under what may, to see the War through to a successful termination.

All our readers are now so fully and splendidly the French people are so fully and splendidly the French Army is conducting itself; and, further, that the French President and Ministers have taken every opportunity that offered itself to renew the pledge that no separate peace will be made by France, a pledge, by the way, which we may remind the reader was also repeated by the Russian Government in the discussions just referred to. Here at home, we had on Wednesday a celebration of the anniversary of the outbreak of the War, which ought to satisfy every one who entertained doubts on the subject that this country is as firmly and as calmly resolved as ever to put down Prussian militarism and to ensure freedom and independence to all the small States of Europe. The City of London gave to the King a reception which was intended to imply that London is resolved to back him up in whatever measures may be requisite. In the evening of the same day Lord Crewe and Mr. Balfour gave utterance to the sentiments of the two great Parties represented in the Administration. And the Archbishop of Canterbury, the Archbishop of York, Cardinal Bourne, and the Chief Rabbi all, likewise, in their special spheres, testified that the great communions which they represent are heart and soul with the country in its resolve to repel and punish a criminal aggression upon innocent neighbours, and so to secure, as far as human might permits, a lasting peace, during which mankind will be able to address itself to the promotion of good government and civilisation. Finally, Sir Robert Borden, speaking for Canada, and, as it happened, General Botha, speaking for the country he so nobly represents, uttered words which actions had already proved to be sterlingly true—that the self-governing portions of the Empire are as resolved as any of the Allies to see the struggle through to an honourable termination. Incidentally these demonstrations may serve as a fitting answer to the bombastic telegram addressed by the Kaiser to the Queen of Greece, predicting that Russia had been so seriously defeated that she would not be able to recover for six months. The world is so accustomed to the Kaiser's braggadocio that it is not likely to be impressed by this telegram. Moreover, the whole course of events during the first year of the War proves decisively that he and his advisers are quite incapable not only of realising the feelings and the character of those against whom he is acting, but that he is even unable to understand the meaning of events. We may, therefore, dismiss the telegram as having very little real significance. Russia is a country that even yet is misunderstood by the Germans. Some of them are arguing that because of the introduction of railways it is not as impossible as the Great Napoleon found it for a foreign invader to impose his will upon the Empire. If those who so argue really believe their own contention it is an exceedingly happy thing for the Allies.

Russia is, in population as well as in resources, infinitely more powerful than the two Central European Empires put together. For the moment circumstances with which our readers are familiar have made it necessary for the Russian Army to fall back from Warsaw. But, as the Russian War Minister warned the public, the capture of Warsaw will have no greater influence on the final outcome than did the occupation of Moscow by the Great Napoleon. The farther the Central European Empires pursue the retreating Russians the more disastrous will be their overthrow. The railway system of Russia is very defective. Indeed, that is so well recognised by the Russian Government and the Russian people that efforts have been continuously made for years past to improve and extend that system as the conditions allowed. It is one of the disadvantages under which Russia labours at present.

But it will be more than a disadvantage if it will be the cause of ruin to the Germans if they really believe that they can push their advantages because railways have been introduced and sparsely built in the great Empire. It is understood that Russia has already mobilised an army of six or seven millions of men, and that she is preparing and training almost as many more. Therefore, Russia is as yet only at the beginning of her real demonstration against Germany; whereas Germany must have exhausted her reserves and, consequently, every day that passes she will become weaker and weaker. If, as is reported, Italy is about to reinforce the armies and navies now acting against Constantinople, and if, in consequence, the Dardanelles are soon opened, the difficulties of Russia will be immensely reduced. One of the drawbacks against which she has had to contend heretofore has been the closing of the Dardanelles. As soon as they are opened she will not only be able to import everything she requires from abroad, but she will be able to export, and, therefore, to sell the enormous reserves of grain that she has been obliged to hold back because of the cutting off of her communications with the rest of the world. Time is fighting on the side of Russia and against the two Central European Empires. It is not surprising, therefore, that the Kaiser should try to breathe a little courage into his people, and to frighten, if he can, his adversaries. But he is as little likely to succeed as he was twelve months ago, when he counted upon the alarmed submission of so many of his neighbours.

## THE UNITED STATES AND ENGLAND.

THE correspondence between the British and the United States Governments regarding the treatment of neutral commerce published this week has, we are sincerely glad to notice, been favourably received in the United States. The friendly tone throughout of Sir E. Grey is fully recognised, and his sincere desire to come to a settlement with the United States which would be satisfactory to both parties is too apparent to be missed. Yet we confess we are not ourselves satisfied with the correspondence. Sir E. Grey, we venture to think, does not need to give fresh proof either of calm judgment or of friendly feeling towards the United States. He is everywhere recognised to be an exceedingly able Foreign Minister, sincerely devoted to peace, and possessed of very great experience. There is no need, therefore, for his writing despatches to increase his own diplomatic reputation. What we should sincerely desire is that he should find some means of coming to an understanding with the American Government on the really difficult question which exists between ourselves and our American kinsmen, and that is the question of cotton. Cotton, as everybody knows, is one of the most important exports of the United States. It is hardly much of an exaggeration to say that it is the mainstay of the whole of the South. Finally, it is the raw material of a very great manufacture. Naturally, therefore, the United States is extremely interested in everything affecting the cotton industry, and the Government is necessarily bound to do what it can to protect that industry from every kind of molestation. Nobody can understand all that better than Sir E. Grey. And, therefore, it is clearly his interest, as well as his duty, that he should not allow a single moment to pass without taking every possible step to come to a friendly settlement with the United States Government. We ourselves are of opinion that the wisest plan would be to select a number of gentlemen in this country in whom the Foreign Secretary has full confidence, who he believes are intimately acquainted with the United States, and who, therefore, would be able to judge how the questions regarding it pending between ourselves and the United States can be settled with the least possible

injury either to ourselves or to the United States. Whether he should place at the head of those gentlemen an experienced diplomatist, say, like Lord Bryce, who has a thorough intimacy with American sentiment and American interest, or whether he should trust to the diplomatic assistance of Mr. Spring Rice, are questions which we do not take upon ourselves to decide. On points of that kind we are quite confident that the judgment of Sir Edward is far superior to that of anybody outside the Foreign Office. But that something should be done to put an end to the controversy and to settle, as far as possible, all differences between ourselves and our American kinsmen is clear. At the same time, if Sir Edward Grey considers some other plan better, we are ready to admit that he is much more likely to know what is right and suitable than we are. All that we would urge upon him respectfully, but as strongly as we can, is not to allow the controversy to go on, but to settle it as quickly as possible. We are convinced that the American people have no desire to use the War for the purpose of injuring this country. On the contrary, America must expect that some time in the future she will be engaged in war, and she must see, therefore, that it is her clear interest to do nothing which might bind her hands if at a future date she happens to be superior to her adversary at sea and is confronted by her own contention in this question of cotton. It is to the interest of both countries, then, to settle the question amicably. No really fair-minded American will seriously dispute that international law authorises a belligerent to use his superior power at sea for cutting off the sea communications of his adversary; that, therefore, he is justified in doing everything which international law permits to effect that end; that, in fact, if he fails to do so, he is acting contrary to the interests of his own country. That being so, the real differences between the two countries are very small. We are convinced that in essentials Americans agree with what we contend for, namely, that we are justified in putting such economic pressure upon Germany as will shorten the War. The only question is, Have we adopted the right method of doing so? About our right to do it we are convinced that there is no dispute. There may be a dispute as to the particular means we have adopted. And if it is only a question of means we cannot conceive any real objection to altering those. If we can adopt some measure other than that we have adopted which will effectually cut off the supply of American and other cotton to Germany, that will give us everything that we contend for. And if we can do that with the willing consent of the United States we shall have rid ourselves of an unpleasant controversy and left the Foreign Office free to give its whole attention to far graver and more important issues.

## RUSSIA.

THE struggle in the Eastern sphere of operations has been attended by so many fluctuations that perhaps it is not surprising that of late a certain portion of the public in this country has, to some extent at all events, lost heart. Unwise newspapers and public speakers had encouraged the belief that Russia would bring almost immediately overwhelming numbers to bear upon the Central European Empires; and that, therefore, the War would be brief and the victory for the Allies brilliant. Now even the ignorant have discovered what the well-informed were always aware of: that Russia, even under the most favourable circumstances, cannot bring overwhelming numbers to bear in a short time, and that at present the circumstances are the very reverse of favourable. By-and-by Russia will bring her numbers to bear, and the effect upon the War will be decisive. But we must be prepared to wait for a considerable time before that happens. Meanwhile, it may be useful in the interest of the

great public, which has not time to study the resources of foreign countries, and which has been encouraged by superficial thinkers to hope too much and too quickly from Russia, to inquire what is the real power of that Empire, and what we are in reason justified in expecting from it. Russia, it is to be borne in mind, is an exceedingly new country. At the time of Queen Anne, Russia was looked upon as an utterly barbarous country. Her Emperor was, as a matter of fact, little better than a barbarian. He was a man of genius, however, and full of the desire to raise his country to the eminent position he believed it to be entitled to. He conceived the notion of visiting foreign countries for the purpose of studying in person how best to raise his Empire. He specially chose Holland and England, then the greatest commercial countries of the world, and he actually worked in shipyards with his own hands. Since then Russia has risen to the great position she now occupies. But it is to be recollected that it is barely two centuries since Peter the Great began his work, and that even in these times of wonderful inventions miracles cannot be worked. Russia is greatly wanting in railway accommodation. She is greatly wanting even in good roads. Her Government has bestirred itself very actively, and with wonderful success, to create a great manufacturing industry. But that industry is in its infancy. The means of communication are very indifferent. The education of the people is exceedingly backward, and the accumulated wealth of every kind is small. Russia, then, can only do what new countries are capable of doing, which means that it takes a very long time for Russia to pull herself together and to bring to bear upon opponents the vast weight of her immense numbers.

As a belligerent Russia has two immense advantages over most other countries. The first of them is that the purely Russian population is growing with wonderful rapidity. The Slavs everywhere are prolific; but the Great Russians are peculiarly so. When serfdom was abolished in Russia, now half a century ago, the arrangements made, though everything that was good in intention, were very defective in execution. Whether it was that the Tsar Liberator's intentions were purposely defeated by hostile agents, or whether it was that the agents were too ignorant to carry out the orders of their master, we need not stop to inquire. It is enough to say that the land granted was quite insufficient for the liberated serfs; that, therefore, intense antagonism has been bred between the great proprietors of the soil and the liberated serfs; that, furthermore, the communal land being insufficient has forced large numbers of agriculturists into the towns, and thus made possible the foundation of important industries; and, lastly, that there has been a steady outflow from Russia proper eastwards. Thus the Russian population is growing wonderfully rapidly; and it is mainly the Russians proper who are increasing and multiplying. They are spreading rapidly eastwards. They find the Turanian peoples, who played in the past so great a rôle in the world, disunited and in decay. The Turks, Tartars, Mongols, and so on are feeble and declining, and everywhere the Russians are pushing into their places. After a while Russia will become one of the very greatest empires in the world, assuming that she remains united; and we see no reason why she should not. But Russia is so new. The freeing of the bulk of the people is of so late a date. The outflow of that population eastwards is as yet only in its early stages. Therefore, there has not been that opening up of the territory which has taken place in the United States in so remarkable a manner. The railway mileage of Russia is a trifle compared with the railway mileage of the United States. Consequently, Russia cannot move great armies quickly; and even if by accident she succeeded in doing so, they probably would starve before she could provide them with the necessary food and munitions. Russia always during her history has been slow in locomotion, and

she continues so to-day. Obviously the immobility, if the word may be used without exaggeration, is a great disadvantage to Russia in war, just as the rapidity with which the population is growing is an immense advantage. The growth of the population is clearly the principal matter, because a comparative immobility can be overcome in time. But a population cannot be manufactured to order.

There is one other circumstance, however, which renders Russia perhaps one of the most dangerous adversaries that can be imagined to a coalition like that of the Central European Powers. The Russian Empire covers, roughly, one-seventh of the whole land surface of the globe. It is perfectly evident, even to those who have given little attention to military matters, that it would be impossible for the two Central European Empires to conquer and occupy so vast a territory. It will be recollected that at the time of the Boxer insurrection in China all the European Powers, backed by the United States and Japan, shrank from invading the interior of China because of the vastness of the distances. But if all Europe, America and Japan shrank from such an attempt, is it likely that Germany and Austria-Hungary could occupy and hold one-seventh part of the whole earth's surface? Now, it is clear that the very want of means of communication which has so hampered the Russian Government in the early stages of the War is equally an impediment to an invader. A German army can rush France because of the plentiful supply of railways. And having once occupied a certain portion, it can take possession of the railways and supply its occupying forces with everything those forces need. But who could occupy a large part of Russia and feed and supply with munitions the occupying army? Consequently, the farther the Germans advance into Russia the greater danger they conjure up. And if they force their way a certain distance they are in absolute peril of being surrounded and starved out. It is reported that a Russian general, in conversation in Petrograd the other day, stated that the Germans in the course of one day's fighting in a certain position had fired away high explosives sufficient for six whole months in any former war. Clearly, such a supply of high explosives can only be kept up where the means of communication are ample as well as excellent; and, therefore, it is perfectly certain that there is a point beyond which the Germans cannot pierce without the greatest danger to the safety of their armies.

**CROCKER, SONS AND CO.**—Interim dividend at rate of 5 per cent. on Ordinary shares.

**ENGLISH VELVET AND COLOURED DYERS' ASSOCIATION.**—Interim dividend at the rate of 5 per cent. per annum on Ordinary shares.

**HOLBORN AND FRASCAU**—Interim dividend on Preference shares at the rate of 5 per cent. per annum, less tax. In view of the importance of keeping the financial position of the Company as strong as possible, the directors have decided for the present to defer the declaration of any interim dividend on the Ordinary shares.

**INDO-CHINA STEAM NAVIGATION COMPANY, LIMITED.**—With regard to the rumours which have recently been current that this Company was about to be absorbed or amalgamated with one of the large steamship lines, the Secretary has been directed to say that the board of directors have no knowledge of any such scheme.

**SANTA CATALINA NITRATE COMPANY.**—The closing down of the oficina in consequence of the War has afforded the Manager and agents of this Company an opportunity to carry out a more detailed examination of the grounds than was practicable while work was going on. According to the report, it is estimated that the total contents will yield 4,700,000 quintals of manufactured nitrate. On the basis of its average rate of output the life of the oficina should thus be about 15 years, which is appreciably in excess of the estimates previously made. With the improvements that are being made to the plant, economies in working will be effected, and, in view of the better outlook of the nitrate market, the board hope to arrange for the reopening of the oficina at an early date.

**YOUNGER (WILLIAM) AND CO., LIMITED.**, Abbey and Holyrood Breweries, Edinburgh.—Dividend at the rate of 10 per cent. per annum, and a bonus of 2½ per cent. on the Ordinary shares.

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## Financial Notes.

ON Monday the Solicitor-General, in a case before the Prize Court in which he demanded the condemnation of four Scandinavian vessels and their cargoes, read an affidavit made by Major Dillon, D.S.O., of the War Office, in which he estimated the number of persons who could not be included in the "civilian population" as follows: Under arms, four millions; in training, three-quarters of a million; on railways, half a million; in Krupp's and other munition factories, three-quarters of a million, and in coal mines, clothing factories, &c., two millions; making together a grand total of eight millions. Major Dillon further estimated the casualties, "including constant temporary wastage," at two millions. If these figures can be relied upon it will be seen that the German reserves are rapidly running very low. The total number of persons of all kinds employed in productive occupations, it will be noticed, is only two millions, while there are four millions with the Colours and three-quarters of a million in training. How long, then, is it possible for Germany to keep in the field armies equal in number to those of her antagonists? Is it not clear that she is rapidly approaching the line of exhaustion?

Assuming the figures to be correct, it is really surprising that Germany can keep up the full service of her army and navy with no more than two millions of men in coal mines, clothing factories, and the like, and barely three-quarters of a million in Krupp's and other munition factories. We have, in fact, according to these figures, four and three-quarter millions of men under arms, whether actually at the Front or in training, while we have barely two and three-quarter millions in all kinds of productive employment, whether for the service of the army and navy or of the civilian population. No doubt there is a large number of women, old men, and young boys in productive employment. But everybody knows that while a good deal of useful work can be done by these, neither women nor old men nor boys can replace men where strength and staying power are essential, nor can they where much skill is required. If, as a matter of fact, outside the munition factories there are only two millions of men at pro-

ductive work out of a total population of over 65 millions of souls in Germany, the outlook for that country is dark indeed.

At the close of his speech in the Duma on Sunday last M. Sazonoff made the following noteworthy reference: "You have no doubt observed that the Japanese Press has recently been discussing the question of the advantage of a close political union between Russia and Japan. The 10 years which have gone by since the Treaty of Portsmouth have proved that a peaceful neighbourliness between Russia and Japan is perfectly possible and reciprocally advantageous. Our relations of alliance with Japan to-day should be the forerunner of a still closer alliance."

M. Bark, the Russian Finance Minister, on Sunday in the Duma made the remarkable declaration that Russia had been able to fill up the gap caused by the stoppage of the sale of alcohol, which brought almost a billion of roubles to the Treasury per annum. The cost of the present War, he said, reached a sum of £724,200,000. In order to meet this expenditure the Government had in view a series of credit operations the success of which was beyond doubt, because the total national savings had increased by 180 millions sterling, which proved that the country possessed resources adequate for the carrying on of those operations—resources which ought to be entirely attributed to the temperance of the people.

The Minister insisted on the necessity of maintaining this beneficent and salutary prohibition after the War. 724 millions sterling is an enormous sum to spend in a year upon the War by a country so backward economically as Russia. Nevertheless, M. Bark declares himself confident that the money will be forthcoming, because, as he says, the abolition of the drink policy has increased the savings of Russia by as much as 180 millions sterling. There is no doubt that intemperance had been gaining ground in Russia to an alarming extent, and that a stoppage of the policy to which it was due had become necessary. Apparently the agents employed by the Government considered themselves bound to encourage drinking so as to merit promotion. All warnings to the contrary failed in their effect, and M. Bark on his appointment took the matter radically in hand, and stopped the Government sales. The saving of 180 millions is, of course, an immense benefit to Russia, not only in view of the War but also in view of future prospects. If vodka drinking to such an enormous extent had gone on it must have seriously injured the physique of the people. Happily, the new policy has brought about the best results. With regard to the measures which M. Bark is about to take he gave little information, but, of course, the fullest details will be laid before the Duma by and by.

The Manchester City Council at a meeting on Wednesday resolved, by 26 votes to 20, to call for a national declaration that cotton be declared contraband of war.

A Bombay telegram, dated Tuesday last, in a morning contemporary, states that the monsoon in its early features caused anxiety because of damaging floods in Eastern Bengal and Assam, and an insufficiency of rain in Central India, Rajputana, and the North-West. A marked improvement occurred in the end of July, as only North Rajputana and the plains of the Punjab are now seriously deficient, and rain is occurring there.

It is earnestly to be hoped that the rains will continue during the present month and next month at least, for a favourable monsoon is indispensable to the welfare of India. Our readers will remember of what great benefit last year's excellent monsoon has proved by giving India a magnificent wheat harvest; which has enabled that country to sell the crop at high prices; and thereby has immensely benefited ourselves, where the cost of living has been unduly high. Another really good monsoon would not only ensure a good new crop of wheat, but would also make certain the continued prosperity of the whole of India. At the same time the very fact that irrigation is doing so much for the benefit of the Punjab ought to impress upon the Indian Government the advisability of pushing forward irrigation works even in this period of war.

## HOME RAILWAY RESULTS.

### GREAT CENTRAL RAILWAY.

THE Great Central's distribution of profits for the June half of 1915 may be regarded as satisfactory, full dividends being forthcoming on all Preference stocks down to and including the 4% Preference of 1889, whereas twelve months ago nothing was forthcoming upon the 1889 stock. The distribution for the June half of 1913 was similar to that for the past half-year. The improvement in the position this year is, of course, attributable to the arrangement with the Government, under which net earnings have now reverted to the level of those of 1913, less the Company's quota of the War bonus. For the June half of 1913 net receipts amounted to £983,000, but for the first half of 1914 they declined to £950,000. For the past six months they have been raised to £971,000, or £12,000 less than for 1913, which indicates that the Company's share of the War bonus to employees has amounted to about £12,000 for the half-year. The Great Central, as in the case of the Great Northern, has wisely continued its policy of issuing a statement showing how the approximate results for the first half of 1915 compare with those for the corresponding half of last year, from which it is apparent that beyond the movement in net earnings referred to above, miscellaneous income is £3,000 higher and interest charges are unchanged. Compared with the June half of 1913, the gain of £7,000 in miscellaneous income is more than offset by the addition of £14,000 to interest charges. The results of the Great Central for the June halves of the last three years compare as follows:—

#### Results of Great Central Railway, June Halves, last 3 Years.

	June Half Year			Inc. or Dec.	
	1915	1914	1913	1914 on 1913	1915 on 1913
Net receipts ..	971,000	950,000	983,000	+ 27,000	- 12,000
Miscellaneous income ..	72,000	69,000	65,000	+ 3,000	+ 7,000
Net income ..	1,043,000	1,019,000	1,048,000	+ 24,000	- 5,000
Reserve, Deb. and other interest ..	680,000	680,000	680,000	—	+ 11,000
Balance for Divs. ..	363,000	339,000	368,000	+ 24,000	- 19,000
Divs. on Pref. down to and including 5% of 1881 ..	327,438	327,438	327,438	—	—
Balance ..	35,562	11,562	54,562	+ 24,000	- 19,000
Div. on 4% Pref. of 1889 ..	30,000	Nil	30,000	+ 30,000	—
Balance ..	5,562	11,562	24,562	- 6,000	- 19,000
Brought forward ..	7,671	8,700	9,441	- 1,000	- 2,000
Carried forward ..	13,233	20,262	34,003	- 7,000	- 21,000

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better appreciated it is essential to take into account the results for a full twelve months. In the comparison of the results for the three years to 1915, which we present below, we have assumed that the decline in net earnings in comparison with 1913 by reason of the payment of the War bonus will be about £26,000. This is slightly more than double the expenditure incurred for this purpose in the June half-year. Assuming also that the miscellaneous income for the December half-year is the same as that for the first six months, the net income for 1915 will amount to £2,200,000, against £2,174,000 for 1914 and £2,218,000 for 1913. Interest and other charges will this year be higher than a year ago by about £10,000, owing to the issue of £750,000 of new Debenture stock which has ranked for interest from July 1 last. This would leave a balance of £819,000 available for Preference dividends, against £803,000 for 1914 and £866,000 for 1913. It will thus be obvious that the benefit which the Great Central derives from net earnings being placed on the 1913 basis, less war bonus, is much more than lost by the extra interest charges which have to be borne and for which no provision was made in the agreement with the Government. The balance of £819,000 would be sufficient to pay all dividends in full down to and including the 4% Preference stock of 1891, with a balance of about £15,000, equal to a dividend of  $\frac{1}{2}$  per cent. for the year on the 5% Preference stock of 1894. It is, however, possible that the profits will not be quite as good as we have estimated for 1915, in which case no distribution on the 1894 stock could be looked for, but there appears to be no doubt that dividends on all stocks down to the 1891 issue will be paid in full as in 1914.

*Results of Great Central Railway, 3 Years to 1915.*

	Year to Dec. 31		Income Dec.	
	1915*	1914	1913	1912*
Net income ...	2,200,000	2,174,000	2,218,000	18,000
Miscellaneous income ...	1,381,000	1,371,000	1,352,000	—
Balance ...	819,000	803,000	866,000	—
Dividend on 1891 ...	715,000	715,000	715,000	—
Dividend on 1894 ...	15,000	Dr. 1,000	62,000	—
Balance ...	8,000	9,000	9,000	—
Current forward ...	8,000	8,000	9,000	—

The 5% Preference stock of 1891 is quoted 88½ and yields £5 16s. 3d. per cent. The 4% Preference of 1889 is at 55½, at which the return is almost 7½ per cent.; while upon the 4% 1891 Preference, quoted at 52, the yield is just 8 per cent. The 1894 stock stands at 32, the Preferred Ordinary at 14, and the Deferred Ordinary at 7.

**GREAT WESTERN RAILWAY.**

Somewhat unexpectedly the rate of distribution upon Great Western Ordinary stock for the first half of 1915 has been reduced to 4 per cent., against 4½ per cent. for the June halves of the previous two years. For the December half of last year the rate of dividend was 7½ per cent., against 8 per cent., so that for the twelve months to June the stock has received 5¾ per cent., in comparison with 6¼ per cent. It has been evident to those who have closely followed the present position of home railways that the profits of the Great Western for 1915 would be somewhat smaller than those for either 1914 or 1913. The decline in net receipts in 1914 amounted to only £22,000, and although

these are again on the 1913 basis, less allowance for the Company's share of the bonus to employees, for the current year they will be approximately £38,000 lower than those for last year, as we estimate the deduction to be made from the 1913 net receipts in respect of War bonus is about £60,000. It is a matter for regret that for the past half-year the Great Western has discontinued its practice of publishing a condensed statement of results, for the continuance of which policy the Great Central and Great Northern are to be commended. In these circumstances it is impossible to make more than an estimate of the results for 1915, but, judging from the experience of the Great Central and the Great Northern, an allowance of about £60,000 for the War bonus should be near the mark. Interest charges this year may be about £36,000 higher than for 1914, which would leave a net profit for dividend of £2,336,000, against £2,410,000 for 1914 and £2,480,000 for 1913. In other words, we estimate that a dividend equal to 6.3 per cent. will be earned this year, in comparison with 6.5 per cent. earned for 1914 and 6.8 per cent. for 1913. If the estimated profit for 1915 is realised there would be sufficient money with which to pay the same dividend for this year as for 1914, but the amount transferred to reserve would have to be reduced from £200,000, as for the past two calendar years, to about £100,000. However, inasmuch as a reduction in the distribution has been made in respect of the June half-year, it is probable that no further change in the distribution will be announced six months hence, and that 7½ per cent. will again be the rate for the December half-year. This would give a dividend of 5¾ per cent. for the year 1915, against 6 per cent. for 1914 and 6¼ per cent. for 1913, and would enable the usual appropriation of £200,000 to be made to reserve fund. How our estimate of the results for 1915 compares with the results for the two previous years will be evident from the statement given below.

*Results of Great Western Railway, 3 Years to 1915.*

	Year to Dec. 31		Income Dec.	
	1915*	1914	1913	1912*
Net income ...	5,555,000	5,593,000	5,615,000	—
Miscellaneous income ...	281,000	281,000	314,000	—
Balance ...	5,836,000	5,874,000	5,929,000	—
Dividend on 1891 ...	5,836,000	5,874,000	5,929,000	—
Dividend on 1894 ...	—	—	—	—
Balance ...	—	—	—	—
Current forward ...	—	—	—	—

The fluctuations that have taken place in the dividends paid for the past 12 years are evident from the following comparison:—

*Great Western.*

	1914-15	'13-14	'12-13	'11-12	'10-11	'09-10	'08-9	'07-8	'06-7	'05-6	'04-5	'03-4
Dec. half	7½	8	7½	7½	7½	7	7	7	7	7	7	7
June half	4	4½	4½	4½	4½	4	3½	3½	3½	3½	3½	4
Year ...	5½	6½	6½	5½	6	5½	5½	5½	5½	5½	5½	5½

Great Western stock is quoted about 100½, at which the yield from the dividend of 5¾ per cent. paid for the year to June 1915, and likely to be the distribution for the calendar year 1915, is just over 5¾ per cent.

**LONDON AND NORTH-WESTERN RAILWAY.**

Although the distribution on London and North-Western stock for the June half of 1915 is unchanged as compared with the first half of 1914 no criterion is thereby afforded of the profits for the whole of 1915. For the first half of 1913 the rate of dividend was 6%. Inasmuch as the stock received at the rate of 7% for December of 1914 the distribution for the past twelve months is 6%. Whether or not the dividend for the current six months will be raised above

the rate for the second half of 1914 is, of course, a matter which must be left entirely to the Board, but from the data available it would appear likely that for the year 1915 the net profit will be considerably in excess of that for 1914, and that, therefore, some addition to the rate of dividend may be witnessed. The falling-off in net receipts in 1914 was greater than in the case of any other company, and inasmuch as under the existing arrangement with the Government net receipts for 1915 are being restored to the 1913 basis subject to deduction on account of the Company's share of the employees' war bonus, the North-Western now benefits more than any other line. Unfortunately on this occasion no figures are available as to the net receipts, interest charges and profit of the past six months although, in view of the fact that both the Great Central and the Great Northern have continued their former practice of giving such information, there would appear to be no good reason why the figures have not been published by the North-Western, and, indeed, by all the other lines. However, it is possible by means of the experience of the two companies who have given a profit statement to form a rough idea of what the profits of the North-Western will be for the current year. Net receipts for 1914 were £313,000 less than for 1913, and on the assumption that the North-Western will be called upon to contribute about £70,000 as their quota of the war bonus this would mean that net receipts for 1915 may be, say, £243,000 higher than for 1914. Interest upon the £1,500,000 of new Redeemable Preference stock now being offered will this year call for an additional sum of about £33,000, so that it would appear as if the profits for 1915 would be approximately £209,000 more than for 1914, when they totalled £2,681,000. On this basis, therefore, profits for 1915 would amount to about £2,890,000, which would permit of the same appropriation of £100,000 as last year to reserve fund and the payment of a dividend of 6½% for the year. For this distribution to be forthcoming for the whole twelve months the dividend for the December half-year would have to be 8%, a rate similar to that for the December half of 1913. We present below a comparison of our estimate of the profits for 1915 with those for 1914 and 1913:—

	Year to Dec. 31—			Inc. or Dec.	
	1915*	1914	1913	1914 on 1913	1915 on 1913
	£	£	£	£	£
Net receipts ...	5,827,000	5,584,000	5,897,000	+243,000	—70,000
Miscellaneous income	418,000	418,000	438,000	—	—20,000
Net income ...	6,245,000	6,002,000	6,335,000	+243,000	—100,000
Residuals, Div. and other interest and Pref. dividends ...	3,355,000	3,321,000	3,232,000	+34,000	+123,000
Net profit ...	2,890,000	2,681,000	3,103,000	+209,000	—213,000
% Ord. ...	(9.74%)	(6.25%)	(7.23%)	+ (4.19%)	— (1.19%)
Div. on Ord. ...	2,788,000	2,573,000	3,002,000	+215,000	—214,000
Div. % ...	(6.4%)	(6%)	(7%)	+ (4%)	— (1%)
Balance ...	102,000	108,000	101,000	—6,000	+1,000
Trs. to Reserve Fund..	100,000	100,000	100,000	—	—

\* Estimated.

The course of the dividends paid by the North-Western during the last dozen years is indicated in the appended statement:—

*London and North-Western.*

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4.
Dec. half...	7	8	8	7½	7½	7	6½	7½	7½	7½	6½	6½
June half...	5	5	6	6	6	5½	4½	4½	5½	5½	5	5
Year ...	6	6½	7	6½	6½	6½	5½	6	6½	6½	5½	5½

The price of North-Western stock is about 104½ and the yield from the dividend of 6% paid for the year to June last is £5 18s. 3d. per cent. If the distribution for the current half-year is raised to 7½% the return would be £6 3s. 4d. per cent., while if the rate of distribution is 8%, as we think not improbable, the return from the dividend of 6½% that would then be the distribution for 1915 would be £6 8s. 5d. per cent.



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## American Topics.

### U.S. STEEL CORPORATION.

THE business and earnings of the United States Steel Corporation are rapidly recovering from the exceedingly low level to which they had fallen about six months ago and all indications point to a continuance of the great activity that now prevails. As recently as January last, owing to the adverse conditions then prevailing, net earnings were the lowest of any month since incorporation, having amounted to only \$1,687,000; but the recovery since then has been so considerable that for June they reached \$11,343,000, which is the highest recorded since October, 1913. In large measure, of course, the better results now being obtained are due to work arising directly or indirectly from the War, but in no small degree the need of the railways of the United States to replenish their stocks of materials, which had been allowed to run down owing to the various uncertainties in the freight rate situation, and the purchase of new equipment in anticipation of future growth of traffic, have brought additional business to the Corporation. A further factor of considerable importance has been the recovery in prices of iron and steel products that has accompanied the increased demand—a rise that is still continuing, and the full effect of which will only become apparent as the months pass, inasmuch as work is only now being done upon new contracts placed at the higher prices. To indicate the rapid recovery that is taking place in the earnings of the

Corporation as a result of the various favourable factors referred to we append the following statement:—

**Monthly Net Earnings of U.S. Steel Corporation.**

	1915	1914	1913	1912	1911	1910
Jan.	1,687,000	4,941,000	11,342,000	5,243,000	5,869,000	11,316,000
Feb....	3,639,000	5,656,000	10,880,000	5,427,000	7,181,000	11,617,000
Mar....	7,132,000	7,397,000	12,254,000	7,156,000	10,469,000	14,684,000
Apr....	7,286,000	6,921,000	13,073,000	7,509,000	9,413,000	13,415,000
May	9,321,000	6,846,000	14,555,000	8,847,000	9,590,000	13,229,000
June...	11,343,000	6,691,000	13,593,000	8,746,000	9,106,000	13,527,000
July...	—	7,476,000	12,937,000	9,322,000	8,750,000	12,132,000
Aug....	—	7,585,000	12,557,000	10,583,000	10,710,000	13,133,000
Sept.	—	7,215,000	12,556,000	10,158,000	10,062,000	12,100,000
Oct....	—	5,581,000	11,430,000	12,456,000	9,159,000	10,512,000
Nov....	—	2,798,000	7,392,000	11,121,000	6,947,000	8,229,000
Dec....	—	2,557,000	4,262,000	11,576,000	7,049,000	7,161,000

Net earnings for the June quarter were better than for any three-monthly period since the September quarter of 1913, and compared most favourably with the very poor results of the two quarters ended December, 1914, and March, 1915. In each of these latter periods interest charges and sinking and depreciation fund appropriations were only a little more than covered, and in order to maintain the dividend on the 7% Cumulative Preferred stock, calling for \$12,610,000 for the half-year, the profit and loss surplus had to be drawn upon to the extent of \$11,127,000. For the past quarter, however, the profit has not only been sufficient to provide for the dividend on the Preferred stock, but there has been a surplus of \$8,268,000, equal to a dividend at the rate of 6½ per cent. per annum for the quarter on the Common stock, although, of course, no dividend has been paid. Between the end of September, 1913, and March, 1915, the profit and loss surplus was drawn upon to the extent of \$23,455,000 for the purpose of paying dividends upon the Preferred and Common, but by means of the surplus for the past three months the net withdrawal has been reduced to \$15,187,000, and it is likely that the profit and loss surplus will be almost if not fully restored to its former level before any steps are taken to restore dividends on the Common stock. How the profits for the quarter to June 30 compared with those for several of the preceding quarters will be evident from the statement presented below:—

**Quarterly Results of U.S. Steel Corporation (000's omitted).**

3 mos. to	Net Earn- ings.	Sinking Fund In- terest.	Depre- ciation.	Sur- plus.	Div. on 7% Cum. Pref.	Bal- ance.	Div. on Common— Rate Amt. p.a.	Balance.
June 1915...	27,350	5,759	7,648	14,573	6,305	8,268*	Nil	8,268
Mar. " ...	12,458	5,770	5,774	914	6,305	Dr. 5,391	Nil	Dr. 5,391
Dec. 1914...	10,936	5,646	4,721	569	6,305	Dr. 5,736	Nil	Dr. 5,736
Sept. " ...	22,276	5,746	7,594	8,936	6,305	2,631	2 2,542	89
June " ...	20,468	5,799	7,160	7,499	6,305	1,194	5 6,354	Dr. 5,160
Mar. " ...	17,994	5,827	5,798	6,369	6,305	64	5 6,354	Dr. 6,290
Dec. 1913...	23,084	5,607	5,786	11,691	6,305	5,386	5 6,354	Dr. 967
Sept. " ...	38,450	5,614	8,828	24,008	6,305	17,703	5 6,354	11,349
June " ...	41,220	5,643	9,299	26,278	6,305	19,973	5 6,354	13,619
Mar. " ...	34,426	5,668	8,730	20,028	6,305	13,723	5 6,354	7,369
Dec. 1912...	35,182	5,678	9,422	20,082	6,305	13,777	5 6,354	7,423

\* Equal to a quarterly dividend at the rate of 6½ per annum.

The results for the first half of 1915 afford no guide as to the earnings and profits for the current six months, all indications pointing to monthly net earnings being secured considerably in excess of the \$11,343,000 of net earnings secured in June last. The Corporation's plants are now operating almost to the limit of their productive capacity, for, whereas in November and December last the mills were operating at only about 35 per cent., they are now being worked at about 93 per cent. of capacity. This factor has to be borne in mind in considering the unfilled orders on hand, which, at 4,678,196 tons at the end of June, were larger than for any period since February 1914, and compared with only 3,324,592 tons at the end of November 1914. Further, only a commencement had been made at the end of the first half of 1914 upon the vast orders from Europe, while the Corporation did not until July begin to reap benefit from high-priced contracts, by far the greater proportion of the output up

to June having been on account of contracts placed at the relatively low quotations existing in the early part of the year. Still another indication of the increased demand for iron and steel products is available from the figures of the monthly output of anthracite and coke pig iron, the production for July having been larger than for any month since June 1913. In July the average daily output amounted to 82,800 tons, compared with 49,000 tons in December last. To show the improvement in the demand for pig iron we give the following statement of monthly production as compiled by the *Iron Age*:—

**Production of Anthracite and Coke Pig Iron.**

	1915 Tons	1914 Tons	1913 Tons	1912 Tons
January ...	1,601,421	1,885,054	2,795,331	2,057,911
February ...	1,674,771	1,888,670	2,586,337	2,100,815
March ...	2,063,834	2,347,867	2,763,563	2,405,318
April ...	2,116,494	2,269,955	2,752,761	2,375,436
May ...	2,092,686	2,092,686	2,822,217	2,612,582
June ...	1,917,783	1,917,783	2,628,565	2,440,745
July ...	2,568,000	1,957,645	2,560,646	2,410,889
August ...	—	1,995,261	2,545,763	2,512,431
September ...	—	1,882,577	2,505,927	2,463,839
October ...	—	1,778,186	2,546,261	2,689,933
November ...	—	1,518,316	2,233,123	2,630,854
December ...	—	1,515,752	1,983,607	2,782,737
Totals ...	—	23,040,752	30,724,101	29,383,490

So far as the railways of the Eastern States are concerned, the freight-rate question has been settled in a manner relatively satisfactory to the companies, and improved results are already being shown, which, if continued, should still further increase the demands on behalf of the railways who ordinarily are the Corporation's best customers. Then, too, an important decision is about to be handed down by the Interstate Commerce Commission concerning the rates of the Western roads; and if, as is anticipated, the railways thus affected succeed in securing additional compensation for the work they perform, they will be in a better position to place orders for the rails, equipment, and all the other necessities requisite to enable them to provide facilities for future traffic demands.

It is reasonable to assume, in these circumstances, that the net earnings of the months from July to December 1915 will be much higher than for June, and that for the whole year there will be a substantial margin of profit beyond the dividend on the Preferred stock. In some quarters net earnings for the current half-year amounting to \$80,000,000 are looked for. It is possible, of course, these figures may be realised, but even assuming that the average monthly net earnings for the period are no greater than those reported for June, totalling \$68,000,000 for the six months, the net earnings for the whole year would be \$108,500,000, compared with under \$72,000,000 for 1914, and with about \$108,000,000 for 1912; and, after providing for interest and making usual appropriations for sinking and depreciation funds, the surplus for dividend on the Preferred stock would be \$55,200,000, compared with \$23,372,000 for 1914, and \$54,258,000 for 1912. Thus, after paying the Preferred dividend, there would be a profit for the year available for the Common stock of roughly \$30,000,000, equal to a dividend of 5.9 per cent., against a deficit of \$1,848,000 last year. Therefore, should no better results than these be secured, although, as we say, the probabilities are they will be considerably improved upon, the profit for the second half of 1915 after paying Preferred dividend would be approximately \$27,000,000, out of which the directors could restore the profit and loss surplus to the level at which it stood before inroads were made upon it, and by distributing \$10,000,000 or so in dividend, could place the Common stock on a 4 per cent. annual basis. Naturally, decision as regards the dividend policy will be influenced largely by the outlook for the future at the time the matter comes up for consideration; but, taking all the circumstances into account, it would appear that the United States Steel Corporation, in common with the other large manufacturing concerns in the States, is

likely to experience a period of considerable prosperity and to earn such profits as will permit of the resumption of reasonable dividends upon the Common stock. An important point to be borne in mind is that, as the business of the Corporation expands, the cost of production per ton is lessened, and that, therefore, the rate of profit upon the total turnover tends to rise appreciably. How our estimate of the results for 1915 compare with those for the past four years, on the assumption that net earnings for the last six months of the year are no better than those secured for June, will be evident from the appended statement:—

#### Annual Results of U. S. Steel Corporation.

	1915	1914	1913	1912	1911
Net earnings	\$ 108,500,000	\$ 71,064,000	\$ 137,181,000	\$ 108,175,000	\$ 104,505,000
Interest	22,200,000	22,239,000	22,533,000	22,818,000	23,107,000
Sinking fund and depreciation	31,100,000	26,053,000	32,643,000	31,099,000	25,980,000
Surplus	55,200,000	23,772,000	82,005,000	54,258,000	55,218,000
7% on Prefd.	25,200,000	25,220,000	25,220,000	25,220,000	25,220,000
Profit for Com.	30,000,000	Dr. 1,848,000	56,785,000	29,038,000	29,998,000
= % on Com.	5.0%	10.7%	11.2%	5.7%	5.9%
Div. on Common	2	15,249,000	25,415,000	25,415,000	25,415,000
Do. %	3%	3%	5%	5%	5%
Estimated surplus	?	Dr. 17,977,000	31,370,000	3,623,000	4,582,000

The 7% Preferred stock is now quoted 117½, at which the yield afforded is £6 5s. 4d. per cent. The greatly improved position and outlook of the undertaking have brought about a considerable appreciation in the price of the Common stock, which stands at 75½, compared with about 40 six months ago. It is evident from the current quotation that a resumption of dividends has been discounted.

### GRAND TRUNK RAILWAY.

THE revenue statement of the Grand Trunk Railway Company for June is more favourable than has been issued for some considerable time past. Although, unfortunately, the diminution in gross revenue has not yet been checked, the falling off for the month was lower than for any month since September last, while by a continuance of the policy of retrenching operating expenses net earnings show a larger gain than has been recorded since October 1913. Now that the accounts are made up annually instead of half-yearly particulars of gross and net earnings are available for June, but the question of the half-yearly dividends does not come up for discussion until early in September. Last year, it will be remembered, the Guaranteed stock received its full rate of dividend for the June half-year, but as the war accentuated the set-back to trade, earnings and profits fell off so considerably that only 1½ per cent. was forthcoming for the December half-year, thus giving 3½ per cent. on the 4% Guarantee for the whole of 1914. The net profit of £425,000 earned for last year was barely sufficient to provide this dividend of 3½ per cent. For the first six months of 1915 net earnings are practically unchanged on balance. Nevertheless the present indicated profits for the year are only sufficient to pay slightly less than 2½ per cent. on the Guaranteed stock. This arises from the large amount of new capital ranking for interest, the addition to interest charges for the current year being about £108,000. Further the deficit of the Grand Trunk Western Railway, whose accounts are made up to June 30, will this year be about £10,000 more than in the previous year. Thus, on the assumption that the net earnings of the Grand Trunk Proper and of the Detroit, Grand Haven, and Milwaukee line show no change in the current six months, the net profit available for dividend on the Guaranteed stock will be about £308,000. Our calculation is as follows:—

#### Present Indicated Profits of Grand Trunk System, 1915.

Surplus after interest and other charges, 1914	£125,000
Add Increase in net earnings of Grand Trunk Proper and Detroit, Grand Haven and Milwaukee lines to June, 1915	1,000
Total	£126,000
Deduct Estimated increase in deficit of Grand Trunk Western, year to June 1915	£10,000
Approximate addition to interest charges:	
On extra 4% Debt stock	£15,000
On 5½% notes issued Dec. 1914	55,000
On 5½% notes issued June 1915	38,000
	108,000
Total deductions	118,000
Estimated surplus, 1915	£8,000*

\* This is equal to a dividend of nearly 2½ per cent. on Guaranteed stock. For the full 4 per cent. on Guaranteed stock to be earned, net earnings must increase £192,000.

Fortunately conditions in Canada are already improving, and in view of the bumper crops being gathered this year and the high prices farmers are receiving the business and earnings of the Grand Trunk should show distinct recovery. For the full 4 per cent. dividend to be earned on the Guaranteed net earnings should show a recovery this half-year of about £192,000, while to enable the same dividend to be paid as for last year, namely, 3½ per cent., the gain should be about £130,000. In view of present results it would not be surprising if the directors should decide to defer the question of a dividend on the Guaranteed stock until the end of the year, when they will be acquainted with the actual results for 1915.

During the present half-year comparison will be made with exceptionally poor results for the latter months of 1914. To show the course of gross and net earnings since January 1914, and the results with which comparison will be made in the coming months, we present the following:—

#### Course of Gross and Net Earnings Grand Trunk Railway and Detroit Grand Haven since January 1914.

Month.	+ or - 1915 on 1914.			+ or - 1914 on 1913.		
	Gross Receipts.	Oper. Expenses.	Net Receipts.	Gross Receipts.	Oper. Expenses.	Net Receipts.
Jan. ...	74,150	45,300	28,850	50,000	45,950	4,050
Feb. ...	32,850	58,050	+ 25,200	39,000	37,850	1,150
Mar. ...	77,700	54,250	23,450	53,700	54,000	- 300
1st Qr. ...	-204,700	-157,600	-47,100	-143,300	-138,400	-4,900
Apr. ...	74,300	85,950	+11,650	56,300	71,300	+ 15,000
May ...	60,800	71,050	+10,250	111,600	75,700	35,900
June ...	33,400	59,400	+26,000	105,900	109,250	+ 3,350
2nd Qr. ...	-168,500	-216,400	+47,900	-273,800	-256,250	-17,550
Half year	-373,200	-374,000	+ 800	-417,100	-394,650	-22,450
July ...	—	—	—	60,850	72,000	+ 11,150
Aug. ...	—	—	—	72,250	48,000	23,350
Sept. ...	—	—	—	40,500	36,000	4,500
Oct. ...	—	—	—	129,850	91,500	38,350
Nov. ...	—	—	—	158,650	94,250	64,400
Dec. ...	—	—	—	135,300	76,000	59,300
Year ...	—	—	—	-1,014,750	-814,250	-200,500

The price of the non-cumulative 4% Guaranteed stock is 50½, while the 1st Preference stands at 52, the 2nd Preference at 42, the 3rd Preference at 21, and the Ordinary at 8½.

The Irving National Bank of New York has appointed a representative in London, with offices at Pinner's Hall, Old Broad Street, E.C.

### BUENOS AYRES AND PACIFIC RY.

THE Buenos Ayres and Pacific, like the other important Argentine railways, is undoubtedly suffering from a dearth of up traffic. The heavy crops of the past season, both of wheat and oats, have all been exported, and although maize is now coming forward in large quantities, it has so far apparently been little more than sufficient to neutralise the effect upon earnings of the smaller movement in general goods. Wine, too, is in less demand than usual, owing to the bad times, and as this is a most important source of revenue to the railway—indeed the most important. The recent slackness of trade is telling against the Company somewhat severely. However, all this is likely to change for the better in the not distant future. The big demand for the produce of Argentina, and the high prices ruling, has brought, and continues to bring, enormous wealth to the country. Consequently, the financial and commercial depression of the last two or three years is now rapidly

passing away, and promises to be followed by a period of unexampled prosperity. In this prosperity the railway companies will, in the long run, equally share; but, as Lord St. Davids pointed out at the last meeting, the Buenos Ayres and Pacific is likely, when the turn comes, to be among the first to benefit. In the first place, it has to be borne in mind that a large portion of the recent capital expenditures upon extensions and improvements is as yet quite unproductive, many of the new lines recently opened to traffic being only in the initial stages of development. Consequently, just as the trade reaction caused a heavier falling off, relatively speaking, in the earnings and profits of the Company than on the other important railway systems of Argentina, owing to the undeveloped condition of so large a portion of its territory, so also is the trade revival likely to bring it a greater degree of prosperity than any other railway in the Republic. Secondly, the fact should be noted that the Company has felt the situation more keenly than the other lines, and has been compelled to temporarily suspend dividends, because it possesses a small amount of Ordinary capital as compared with its fixed interest-bearing securities and its guarantees to leased lines. But now that trade is reviving the reverse will be the case, and the smallness of the Ordinary capital will tell in favour of the shareholders.

How soon the Company will be in a position to resume its Ordinary dividends remains to be seen; but if all goes well in the next few months there is little doubt that in the current year a substantial profit will be earned for the shareholders, and possibly some distribution will be forthcoming. At the present time maize is coming forward in large quantities, and although shipments to date exceed last year's total by about 50 per cent., rather less than half the crop has so far been carried, and, consequently, traffic in this connection is likely to continue brisk for several months to come. The carriage of wine and general goods may not recover to any appreciable extent immediately, but, inasmuch as comparison has now to be made with the very small takes a year ago, after the declaration of war, an improvement in general traffic may also be shown; and as the wealth of the country increases so also will the import trade revive and the demand for wines, &c., correspondingly improve. It is, of course, too soon yet to speak with certainty regarding the next harvest, but as weather conditions are reported to be very favourable to the growing crops, the agricultural outlook in Argentina is in all respects satisfactory.

To show the importance of good cereal crops to the Company, and the benefits which are likely to accrue from the greater prosperity of the country, particularly in the matter of wine, we give herewith a summary of freight traffic in the last few years:—

*Freight Traffic, Buenos Ayres and Pacific Railway.*

Goods.	Quantity			Receipts		
	1913-14	1912-13	1911-12	1913-14	1912-13	1911-12
	Tonnes	Tonnes	Tonnes	£	£	£
Wine ...	453,295	460,114	441,589	993,211	997,332	949,521
Wheat ...	754,278	1,474,631	1,290,547	347,222	579,364	498,742
Maize ...	444,648	545,048	154,750	181,892	237,219	71,355
Grapes ...	64,871	59,549	43,854	126,343	87,196	62,497
Empty casks ...	104,908	123,839	93,450	90,377	109,445	89,953
Firewood ...	169,111	198,103	191,085	75,258	90,465	80,977
Hay ...	162,368	165,689	173,595	76,165	76,647	75,916
Linseed, &c. ...	94,916	100,198	75,120	66,656	70,369	52,731
Flour & bran ...	115,621	116,349	90,321	62,427	62,039	58,173
Posts ...	87,765	120,066	102,023	58,411	74,872	55,788
Timber ...	44,131	70,548	63,712	51,102	77,870	76,029
Barley, oats, &c. ...	177,283	208,995	230,133	30,778	48,580	45,055
Lime, bricks, & sand	115,243	148,325	155,945	29,869	36,807	37,038
Wire ...	14,375	16,627	15,963	26,236	29,900	27,951
Hides & skins, &c.	13,226	15,535	16,860	23,930	23,039	30,048
Wool & hair ...	22,679	25,552	30,950	22,904	23,010	24,369
Raisins & dried fruit ...	1,446	1,366	1,464	4,161	3,917	3,444
General goods ...	533,391	546,556	582,749	632,897	747,031	730,479
<b>Total goods ...</b>	<b>3,373,555</b>	<b>4,451,898</b>	<b>3,754,106</b>	<b>2,890,840</b>	<b>3,380,102</b>	<b>2,970,066</b>
<b>LIVE STOCK.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cattle ...	939,940	1,081,665	953,954	251,624	279,866	266,997
Sheep ...	1,411,761	1,494,764	967,247	34,941	33,643	22,764
Horses ...	39,849	43,483	49,017	18,479	21,842	20,747
Pigs ...	40,897	35,293	23,374	4,456	3,485	2,004
<b>Total live stock ...</b>	<b>2,432,447</b>	<b>2,655,205</b>	<b>1,948,592</b>	<b>309,500</b>	<b>338,837</b>	<b>312,512</b>

The big wheat crop of the past season, comparing, as it did, with a very inferior crop in the previous year, brought the Company a large traffic for several months, and produced a considerable increase in revenue. At the beginning of March there was a falling-off in receipts of as much as £593,000, but the year closed with a decrease of £321,000, the improvement in the four months having been £270,000, or an average of £16,000 a week. The final returns of the year were disappointing, but renewed recovery has again set in, and last week's takings of £90,000, showing an increase of £15,000 compared with a year ago, are by far the best since the beginning of June. To show the improvement in traffics in the last few months, and the meagre returns of a year ago, with which comparison now has to be made, we give in the following table the course of earnings monthly since July 1912:—

*Course of Traffic Receipts since July 1, 1912.*

Month	Crops carried	1915-16	1914-15	1913-14	1912-13
		£	£	£	£
July ...	Maize	354,000	341,000	337,000	366,000
August ...	"	—	230,000	429,000	450,000
September ...	"	—	232,000	340,000	373,000
October ...	"	—	292,000	339,000	387,000
November ...	"	—	278,000	426,000	473,000
December ...	Wheat	—	341,000	368,000	396,000
January ...	"	—	437,000	479,000	431,000
February ...	"	—	445,000	466,000	515,000
March ...	"	—	495,000	463,000	689,000
April ...	Wine	—	501,000	415,000	522,000
May ...	"	—	588,000	431,000	552,000
June ...	"	—	380,000	388,000	437,000
<b>Total year ...</b>			<b>4,560,000</b>	<b>4,881,000</b>	<b>5,591,000</b>

In May last, it will be recollected, the directors decided, in view of the large reduction in earnings, to postpone the usual half-yearly dividend on the Second Preference stock and on the Ordinary stock of the Argentine Great Western Company, which rank together. They expressed the hope, however, of being able to reconsider the matter later if the then favourable prospects continued. Although no further announcement has been made, and the recovery in earnings has not been as great as generally anticipated, the payment of the full minimum dividends on these two stocks for the whole of the past twelve months may, we think, be confidently anticipated. The actual profit earned for the year may, it is true, be short of the sum needed, but in view of the much more hopeful outlook generally, and the possible big recovery in earnings that may be shown when the dividends are under consideration two months hence, the directors may feel justified in drawing upon outside resources in order to make good the deficiency. It is more than usually difficult at a time like the present to estimate how far the Company has been able to reduce expenditure. But, inasmuch as the War broke out in August, and it could be seen quite early in the new financial year that the Company was in for an exceptionally bad time, drastic measures were doubtless taken to effect economies, and the result may be a fairly big saving in working charges. Assuming, however, that the proportionate cost of working is unchanged compared with 1913-14, at 62.63 per cent.—a relatively high figure—the decline of £320,000 in gross receipts would be accompanied by a reduction of about £200,000 in working expenses, and the net earnings for the year at £1,704,000 would show a diminution of approximately £120,000, or 6.5 per cent. The result will, we think, be no worse than this, and it may be a good deal better. However, some increase in interest charges has to be provided, but as the only new issue offered during the year has been one of £1,000,000 in 5% Debenture stock, the sum needed will be relatively small, probably no more than £70,000. If, therefore, we add this sum to the decline of £120,000 in net earnings, the total diminution in profit would be £190,000, and the surplus available for dividends would be reduced from £374,000 to £184,000 only. The 5 per cent. distributions on the Company's First Preference stock and on the

Preferred stock of the Argentine Great Western Company together call for a sum of £166,000, and there would thus remain only £18,000 with which to provide the Second Preference dividend of the Pacific Company and the Ordinary dividend of the Argentine Great Western Railway, which, at 5 per cent., require a sum of £156,000. A deficiency of £138,000 has, therefore, to be provided for if the full dividends on these two stocks are to be forthcoming, a deficiency which, in the circumstances, might justifiably be made good out of the balance brought in from 1913-14. This balance amounted to no less than £341,000, and after writing off the whole of the past year's deficiency as stated, there would still remain a surplus of over £200,000 to be carried forward. Unless, therefore, something quite unforeseen happens to upset our calculation, such as a disaster to the crops or a heavy fall in prices of foodstuffs, the full minimum dividend on the Company's Preference capital should again be forthcoming in respect of the past year. That our estimates may be followed we set out herewith the possible results for 1914-15 as outlined above, together with the actual earnings and profits for the past two years:—

*Buenos Ayres and Pacific Railway.*

	1914-15*	1913-14	1912-13
	£	£	£
Gross earnings ... ..	4,560,000	4,881,000	5,591,000
Expenses ... ..	2,856,000	3,057,000	3,460,000
Ratio ... ..	(62.63)	(62.63)	(61.89)
Net earnings ... ..	1,704,000	1,824,000	2,131,000
Misc. income ... ..	111,000	111,000	183,000
Total income ... ..	1,815,000	1,935,000	2,314,000
Fixed interest charges—	£	£	£
B.A.P. Deb. stocks ...	769,000	706,000	647,000
A.G.W. " ...	316,000	316,000	316,000
Bahia Blanca stocks ...	443,000	443,000	436,000
Villa Maria stocks ...	43,000	43,000	43,000
Miscellaneous ... ..	60,000	53,000	52,000
Total fixed charges ...	1,631,000	1,561,000	1,492,000
Net profit ... ..	184,000	374,000	822,000
Preference dividends—			
B.A.P. 1st Pref. 5% ...	60,000	60,000	60,000
" 2nd Pref. 5% ...	50,000	50,000	50,000
A.G.W. Prefd. 5% ...	106,000	106,000	106,000
A.G.W. Ord. 5% ...	106,000	106,000	106,000
Total Pref. dividends ...	322,000	322,000	322,000
Profit for Ordinary ...	Dr. 138,000	52,000	500,000
Ordinary dividend ...	Nil	Nil	300,000
Rate per cent ... ..	—	—	(3%)
Balance ... ..	Dr. 138,000	Cr. 52,000	Cr. 200,000
Brought forward ... ..	341,000	289,000	90,000
Carried forward ... ..	203,000	341,000	290,000

\* Estimated.

It is quite possible that the Company will never have again to face such trying times as it has experienced in the last two years, and now that the tide appears to have turned, it should begin to reap the reward of its enterprising policy of extension in the shape of a big growth in earnings and profits.

The rapid strides which the Company was making prior to the set-back in trade which commenced with the outbreak of the Balkan wars early in 1911 will be apparent from the following retrospect of the main results of working for a decade:—

*Buenos Ayres and Pacific System.*

	Average Miles Operated	Gross Receipts	Working Expenses	Ratio.	Net Earnings	Net Profit†	Ord. Div.
1914-15*...	3,535	4,560,000	2,856,000	62.63	1,704,000	184,000	Nil
1913-14 ...	3,473	4,881,665	3,057,470	62.63	1,824,195	374,000	Nil
1912-13 ...	3,404	5,590,613	3,459,921	61.89	2,130,622	822,000	3
1911-12 ...	3,240	4,976,651	3,112,998	63.35	1,823,653	535,000	2
1910-11 ...	3,186	4,820,841	2,806,656	58.22	2,014,185	807,000	3½
1909-10 ...	3,004	4,294,432	2,465,253	57.40	1,829,179	735,000	3
1908-09 ...	2,505	4,134,487	2,575,943	62.30	1,558,544	679,000	5
1907-08 ...	2,250	3,655,772	2,300,782	62.94	1,354,990	684,000	7
1906-07 ...	1,886	3,063,547	1,892,542	61.78	1,171,005	622,000	7
1905-06 ...	1,098	1,618,365	882,404	54.52	735,961	411,000	7
1904-05 ...	1,030	1,263,636	719,111	56.91	544,525	243,000	7

\* Estimated.

† Affected by the strike of drivers and firemen.

‡ Available for Preference and Ordinary capital.

Holders of Argentine Railway securities of all descriptions have taken advantage of the free market which these issues have enjoyed since war was declared to realise their holdings in many directions in order to obtain the necessary funds for investment in the War Loans and for other purposes, and the fall in prices which has occurred is quite out of proportion to intrinsic merits. From the list of securities given below it will be seen that prices of Buenos Ayres and Pacific issues, and those of the allied companies, have now fallen to a very low level, and with a little discrimination some attractive investments may be acquired at the present time. The Debenture and Guaranteed charges are well covered even in a disastrous year like the past, and as the yields afforded by these securities range from 5½ per cent. to well over £7 per cent., there is room for a considerable appreciation in capital value. For the more speculatively inclined there are several good securities to choose from, and we would again draw particular attention to the 5% Cumulative First Preference stock of the Company at the price of 85xd, and the 5% Cumulative Preferred stock of the Argentine Great Western Railway at 80½, which rank together for dividend, and which should continue to receive their full 5 per cent. distributions.

*Buenos Ayres and Pacific.*

Security	Amount	Interest or Dividend	Price	Yield
	£	%	£ s. d.	
1st Debenture stock, 4 %...	2,925,000	4	70	5 15 0
2nd Debenture stock, 4½ % (a) ...	2,075,000	4½	80	5 13 7
4½ % Consol. Deb. stock, Red. ...	7,942,673	4½	74	6 2 10
5 % Debenture stock (1912) ...	4,000,000	5	85½	5 18 0
5 % Cum. 1st Pref. stock ...	1,200,000	5	85xd	5 17 8
5 % Second Pref. (non-cum.) ...	1,000,000	5	72	7 2 10
Ordinary stock ... ..	10,000,000	Nil	43	—

*Bahia Blanca and North-Western.*

4 % 1st Debenture stock ...	2,450,000	4	72½	5 12 8
4½ % 2nd Debenture stock ...	3,000,000	4½	71½	6 9 6
Guaranteed stock ... ..	1,350,000	4(b)	60½	(d) 7 15 2
4½ % Guaranteed stock ...	1,250,000	4½	65½	7 1 9
Guaranteed £10 shares ...	2,000,000	5(c)	6½	(d) 7 5 2

*Villa Maria and Rufino.*

4 % 1st Debenture stock ...	673,500	4	73½	5 9 7
Guaranteed stock ... ..	393,750	4(b)	83	(d) 5 10 5

*Argentine Great Western.*

1st Debenture stock ... ..	1,700,000	4	70½	5 14 4
2nd Deb. stock (irredeemable) ...	1,700,000	4	69½	5 16 4
5 % Debenture stock ... ..	3,600,000	5	89	5 14 7
5 % Preferred stock (cumulative) ...	2,125,000	5	80½	6 6 7
Ordinary stock ... ..	2,125,000	5	70	7 10 11

*Argentine Transandine.*

4 % "A" Debenture stock ...	310,166	4	82½	5 0 0
4 % "B" Debenture stock ...	310,166	4	55½	7 4 10
7 % Cum. Preferred shares (£20) ...	500,000	Nil	10	—

(a) Redeemable at 105 per cent.

(b) 4 % guaranteed for 4 years from July 1, 1913, to June 30, 1917.

(c) 4½ % " " from July 1, 1917, and thereafter.

(d) Dividends guaranteed by Buenos Ayres and Pacific Company at the rate of 5 per cent. per annum till March 31, 1916, and thereafter at the rate of 4½ per cent. per annum.

(e) Yield on ½ % dividend basis.

ANGLO NITRATE COMPANY.—Since the closing of the oficina in September last, the Manager and the representative of the agents have examined the Company's grounds. In their report they estimate the total contents to be 6,000,000 quintals. This will, on the basis of its average production, give the oficina a life of nearly 20 years, which exceeds the estimate previously made. Advantage is being taken of the stoppage to make certain alterations and repairs to the maquina, which it is anticipated will insure more economical working. It is hoped to resume operations at an early date.

BANK OF NEW SOUTH WALES.—Interim quarterly dividend at the rate of 10 per cent. per annum.

CITY OF BUENOS AYRES TRAMWAYS COMPANY (1904).—Dividend of 1s. 3d. per share, less tax, for three months.

GUINNESS (ARTHUR), SON AND CO.—Final dividend of £3 per cent. on the Preference stock and £5 per cent., with a bonus of £4 per cent., on the Ordinary stock (free of tax), making total dividends for the year of £6 per cent. on the Preference stock and £10 per cent., with a bonus of £4 per cent., on the Ordinary stock.

VICKERS.—Interim dividend on Ordinary shares for the half-year ended June 30 of 1s. per share (free of tax).

WESTMINSTER ELECTRIC SUPPLY CORPORATION.—Interim dividend at the rate of 6 per cent. per annum, less tax.

## SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

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TRANSIT OF SECURITIES, FIDELITY, PROPERTY OWNERS' RISKS,  
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PAID-UP CAPITAL - - - - £34,500

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"THE MODERN METHOD OF STORING SAVINGS."

## Insurance Notes.

### ALLIANCE ASSURANCE COMPANY, LIMITED.

ALL descriptions of its fire and life business are transacted by this great institution. Its title is appropriate, for the leading position which the Company occupies has been attained through a considerable number of judicious alliances or fusions. Within the last 15 years the Alliance has absorbed eight important insurance companies. Three of these—the Imperial Life, Provident, and Economic—were life offices; four—the Imperial, County, Law Fire, and Westminster Fire—were fire companies; while one—the Alliance Marine and General—was engaged in marine insurance.

The Company's authorised and subscribed capital amounts to £5,450,000, of which £1,000,000 is paid up, in 250,000 shares of £20 with £2 4s. paid on each, and 450,000 fully-paid shares of £1. Both denominations of shares carry equal rights to dividend, and the dividends for several years past have been at the rate of 12s. per share. As the result of the operations disclosed in the annual report for 1914, the dividend payable in 1915 is declared at the same rate, inclusive of interim dividend of 5s. per share paid in January last. An analysis of the accounts shows that much more than the amount required for the distribution of the dividend has been earned, and that large additions have been made to the previously very strong reserves.

The larger part of the Company's trading is derivable from the working of its fire department. While the Company transacts fire business in a number of foreign countries and British colonies, the greater part of its fire premium income is obtained in the United Kingdom, and much of it relates to the insurance of house property and contents, in which three of the

acquired fire companies above referred to had specialised. Thus the Alliance fire business is generally of a particularly select description, and has earned in the past a higher proportionate profit than that of any British fire company possessing a premium income of over a million sterling.

In 1914 the Alliance fire premium income, increased by £13,245, amounted to £1,360,874. Of this income, claims absorbed about 43 per cent. and expenses about 38 per cent. After adjustment of the reserve for unexpired risks the trading profit amounted to £256,358, which represents about 19 per cent. of the premiums. The amount of profit varies by less than £3,000 from that shown in the 1913 account, although the general fire experience of British offices was less favourable in 1914 than in 1913. Interest on the fire fund, after deduction of income tax, produced £84,784, so that the total profit of the fire department was £341,142, that amount being transferred to profit and loss account. Thereafter the fire fund amounted to £2,121,357, representing about 156 per cent. of the premiums, or nearly four times the amount reserved for unexpired risks at the rate of 40 per cent. of the premiums, which seems more than sufficient under normal circumstances for this particular purpose, looking to the consistently low loss ratio experienced in this Company.

The marine insurance account for 1914 shows a greatly increased trading profit, as compared with that for 1913. The marine premiums, increased by £71,806, amounted to £290,065. After adjustment of the reserve for unexpired risks, an underwriting surplus of £70,744 is shown, exceeding that of 1913 by £44,519. Interest earnings on the marine fund, less tax, produced £20,544, and the combined profit from trading and interest in this section transferred to profit and loss account amounted to £91,288. The marine fund thereafter amounted to £466,584, representing about 160 per cent. of the marine premiums.

Apart from the operations in the life funds, the main figures of the other accounts for 1914 are as follows:—

Department	Premium Income	Funds at close of year excluding provision for outstanding claims
Personal accident ... ..	£10,996	£17,682
Employers' liability (within the United Kingdom) ... ..	126,916	224,794
Miscellaneous (including burglary and fidelity business) ... ..	68,439	184,606
General... ..	14,996	99,346

It is stated in the annual report that the whole of the surplus arising from the operations in the personal accident, employers' liability (U.K.), and miscellaneous sections amounted to £63,119, of which £45,909 seems to have represented trading profits and £17,210 net interest earnings. No portion of this surplus has, however, been transferred to profit and loss account, the whole amount thereof being left in the departmental funds as addition to reserves.

Profits from the life section are only taken into account when they are ascertained at quinquennial investigation dates, none of which in any section of the life business synchronised with December 31, 1914.

The receipts from interest earnings and fees appearing in the profit and loss account for 1914, and not otherwise credited, less property tax and income tax on profits, amounted to £45,699.

Thus the total profits shown in the accounts for last year were as follows:—

	From Trading	From Interest
Fire department ... ..	£256,358	£84,784
Marine department ... ..	70,744	20,544
Personal accident, employers' liability and miscellaneous ... ..	45,909	17,210
Profit and loss account ... ..	—	45,699
	£373,011	£168,237
Together ... ..	£541,248	

This amount has been allocated as follows:—

In dividends ... ..	£395,515
In reduction of offices, premises account ...	8,702
Added to departmental reserves ... ..	63,119
Added to balance carried forward in profit and loss account ... ..	73,912

The profit and loss balance carried forward, after provision for the full year's dividend, amounts to £638,191.

The portion of the annual report for 1914 relating to the life department shows that new policies were issued for £1,594,924, of which £154,500 was re-assured, the Company's net retention at its own risk being £1,440,424 (all except policies for £4,000 having been effected within the United Kingdom), as compared with £1,798,087 in 1913. The total net life premium income, including that in the acquired life businesses, was £1,173,135, which shows an increase of £7,730. Claims amounted to £1,226,450, of which £1,035,293 related to death claims and £191,157 to matured endowments. The life assurance fund was increased through the year's operations by £291,401 to £16,706,112. Of that amount £7,058,582 related to the direct Alliance business, and the balance to acquired business. The net interest yield, after deduction of income tax, seems to have slightly exceeded 4 per cent.

Expenses in the life section are limited to 10 per cent. of the premiums. The last quinquennial valuation for direct Alliance policies was made on December 31, 1913. The amount of the reversionary bonus declared on policies in the new series which was opened in 1894 was 30s. per cent. per annum, in compound form, the same rate having been declared in this series at each previous distribution since its commencement.

The annuity account shows that a sum of £81,928 was received as consideration for new annuities granted, that annuities for £145,321 were paid, and that the amount of the annuity fund on December 31 last was £1,548,006.

The total assets shown in the Company's balance sheet at the close of the year amounted to £24,835,288. The investments in Stock Exchange securities made in the year 1914 are stated to appear in the Company's books at cost price (less accrued interest) and those previously made in the same class of securities at or below the market prices (less accrued interest) at the date of quinquennial investigation—viz., December 31, 1913.

It will be seen that in all respects the report is satisfactory, and that the resources of the Company—as indicated by its large capital, paid up and uncalled, its departmental funds, and its other reserves—are exceptionally strong. Sound finance has always characterised the Company's administration, and the board of directors is strong and influential. A tribute is paid in the annual report to the heavy loss which the Company has experienced through the death of Lord Rothschild, who for nearly 30 years had filled the position of its Chairman.

### CONSETT IRON COMPANY.

A FAIRLY considerable shortage has occurred in the profits of the Consett Iron Company, Limited, for the twelve months to June 30, 1915. The directors describe the year as being one exceedingly difficult and anxious, and they point out that it is actually the worst experienced during the last twenty years. The Company has been severely hit in various ways, and it is not surprising, therefore, that the results are much less prosperous than those obtained during recent years, though, indeed, for the twelve months to June 1910 the profits were very little in advance of those for the past year. The period under review is, of course, with the exception of one month, covered by war conditions, and it is to the dislocation of trade in so many directions occasioned thereby that the smaller profits are attributable. This dislocation of trade has resulted

in reduced outputs of coal and steel, which, of itself, would naturally prove a serious matter, but it has been accompanied by higher working costs. First of all, it has been necessary to give large increases of wages. Beyond this there has been the enforced granting of war wage-bonuses designed to meet the higher cost of living. Further, the Company has had to contend with seriously enhanced freights for carrying ore, &c., together with much higher charges for timber and other stores. Added to these troubles, it was necessary for a time to sell coal at prices below those prevailing previously to July 1914. The shortage of labour has proved a serious problem for the Company. Very many men formerly employed are now with the Forces, and the Company is making allowances to the dependants of these. The enlistment of men is responsible for the reduction in the outputs of coal and steel, and for some time it has been most difficult to run the steel mills; and, indeed, at the present time it is impossible to run all the mills at one time, owing to the scarcity of men.

Though the profits reported are only just about one-half of those secured for the twelve months to June 1914, the Company is, nevertheless, able to make a total distribution of 12½ per cent. on its Ordinary shares, which, in the circumstances, will be considered as distinctly satisfactory. Had it not been for the policy carried out by the board during recent years there is no doubt that these abnormal factors with which the trade has had to contend would have proved much more serious than has actually been the case. The policy carried out is that of introducing the most modern appliances in the works and making use of the most efficient processes of manufacture, thereby bringing about a substantial reduction in working costs, so that, although, on the one hand, the Company has been adversely affected by an increase of working costs in the way of wages, &c., these increases have been offset by economies that have been introduced in manufacturing.

Though during the earlier period of its history the results secured by the Consett Iron Company were not of the most profitable character, for many years past now the Company has been in a very prosperous condition, earning large profits, and paying very substantial dividends. As an indication of the prosperity enjoyed, it may be pointed out that for at any rate a quarter of a century the dividend with one exception has never been less than 10 per cent., the one solitary exception being for the twelve months to June 30, 1895, when the distribution was 9 per cent. Considering the times of depression that the industry has suffered during this period, it will be seen that for a Company to have steadily paid such large dividends on a not small capital is a feat of no mean order, and when account is taken of the large reductions in profits shown in the time of depression that followed the boom years of 1900 and 1901, when the Company paid dividends of 50 per cent. per annum, the prosperous condition of the concern is evident when it is seen that the dividend has only once fallen below 20 per cent.

In order to appreciate the full force of the figures, however, it is necessary to add that during this period the issued capital of the Company amounted to as much as £1,250,000, of which £500,000 consisted of 8% Preference shares, the balance of £750,000 being Ordinary shares of £10 each, on which £7 10s. was paid up.

In 1913 it was decided to make the Ordinary share capital fully paid up by calling up the unpaid £2 10s. on each share. Contemporaneously there was capitalised a corresponding amount of undivided profits, which was distributed as a bonus and applied in payment of the call. The result is that the paid-up capital is now £1,500,000, of which £1,000,000 represents the Ordinary share capital and £500,000 the Preference share capital, and at the present time both classes are of a £1 denomination. Consequently, in

comparing the dividends for the past two years with those of previous years, all comparisons must be made for the full year. A distribution of 7 per cent. on the present capital is equivalent to one of 4 per cent. on the old capital.

The working profit for the past twelve months has amounted to £221,113, as compared with £379,571 for the previous year and £549,444 for the twelve months to June 1913. After the addition of rents, &c., and deduction of income tax, there is a balance of profit of £214,384, as compared with £408,014. After payment of the Preference dividend there is a balance of £174,384, which is practically sufficient to provide for a distribution of 17½ per cent. on the Ordinary shares. The whole of the sum available, however, has not been distributed, and a total of 12½ per cent. only is paid, calling for a sum of £125,000. Of the balance, £40,000 is set aside for the purpose of writing down investments, and a sum of £5,848 is used for extinguishing special expenditure on the plant during the year. There thus remains a balance undivided of £3,536, which is added to the carry-forward, bringing it up to £69,399.

In the following table we set out the manner of distributing the profits for each of the past seven years:—

Yr. ended June 30—	1915	1914	1913	1912	1911	1910	1909
Net profit	£ 214,384	408,014	581,993	427,007	338,501	221,327	243,579
Pref. div., 8%	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Ordinary div.	125,000 (12½%)	300,000 (30%)	450,000 (60%)	337,500 (45%)	250,000 (33½%)	168,750 (22½%)	150,000 (20%)
	49,384	63,014	91,998	49,507	48,501	12,577	53,579
Special expenditure, &c.	45,848	5,403	61,297	44,888	47,676	11,324	44,294
	3,536	82,607	30,701	4,619	825	1,253	9,285
Brought forward	65,863	3,247	222,557	217,938	217,113	215,840	204,575
Carried forward	69,399	65,863	253,258	222,557	217,938	217,113	215,860

• Balance after capitalising £250,000.

We have on various occasions directed attention to the wise and careful management displayed in conducting the affairs of the Company; while very substantial dividends have been distributed, at the same time large expenditure has been made from profits on the property. As far back as 1897 it was pointed out that although the plant had not only been efficiently maintained, but had to some extent been renewed from time to time, it was considered that by gradual reconstruction it might be rendered capable of a larger output and much more economical working, and consequently it was decided to enter upon a complete scheme of reconstruction of works. This has been carried through without increasing the capital account of the Company, the whole of the sums required for the purpose having been provided from profits.

Since 1898 there has been set aside from profits a sum of £631,000 for reserves and works and cottages reconstruction accounts. Up to June 30, 1914, a total of £404,452 had been expended for these purposes. During the past twelve months a further sum of £61,191 has been so expended, making a total expenditure of £465,643, so that there remains at the present time a balance to the credit of this account of £165,357. The total assets are valued at £2,069,261, of which the property, &c., stand for £1,109,759. The second largest item is that of investments, which are valued at £319,838. The cash in hand at June 30 last amounted to £234,536. It will thus be realised that the Company occupies a strong position, which may be seen from the following statement of liabilities and assets as at June 30 last:—

LIABILITIES.			ASSETS.		
	£			£	
Issued capital...	1,500,000	Property, &c. ...	1,109,759		
Creditors ...	162,331	Stocks ...	180,750		
Consent Spanish Ore Company	6,126	Sundry debtors ...	224,378		
Reserves, &c. ...	165,357	Investments ...	319,838		
Profit and loss ...	235,247	Cash ...	234,536		
	2,069,261		2,069,261		

Two years ago it was announced that it had been decided to erect a coal-washing and by-product oven plant at the Langley Park Colliery. This has now been completed, and was started in May last. On another by-product coke plant repairs and improvements have been carried out, and it is expected that the full plant will be at work again before the end of the present month.

Unfortunately there do not appear to be many grounds for anticipating any improvement in profits during the immediate future. A paragraph in the report points out that "it is desirable to say now, that the full effect of the increased charges referred to above will be felt in the current year, and that there are considerable balances to deliver under contracts at prices very much lower than the prices of to-day for material produced or manufactured by the Company." It is thus evident that the directors do not anticipate that the current year's results will be as profitable as those for the twelve months to June last, and shareholders should, therefore, be prepared for a further reduction in dividend. Of course, when current contracts expire the Company will be able to secure better prices, but there is still the question of increased charges to meet, and also the deficiency of labour. Unless, therefore, an unexpected change for the better occurs it seems certain that smaller profits must be recorded, and probably a further reduction in dividend. In normal times, of course, owing to the strength of the position built up the Company should be able to show distinctly satisfactory results. During a time of trade activity profits are likely to be large and the distributions considerable, and even in a time of trade depression there should be little difficulty in maintaining profits at a sufficient level to enable satisfactory dividends to be paid. The £1 Preference share now stands at 32½, and on the basis of the 5 per cent. dividend to which it is entitled the yield afforded is 5 per cent. Even on the poor results of last year the Preference dividend was covered more than five times over, and there was a substantial margin behind it. In spite of the fact that the Ordinary dividend has been reduced from 30 per cent. to 12½ per cent., the reduction in the price of the shares is only 17s. 6d., the present quotation being 3s. as compared with 3½ twelve months ago. On the basis of last year's distribution the yield afforded is only a little over 4½ per cent., so that it is evident that ultimately a recovery is looked for. The present capital, prices, and yields afforded are shown herewith:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
500,000	8% Preference shares	1	32½	8	5 1 0
1,000,000	Ordinary shares	1	3	12½	4 6 3

## HUDSON'S BAY COMPANY.

For the first time for nearly thirty years the directors of the Hudson's Bay Company have found it desirable to pass the dividend. From 1907 to 1914 the lowest distribution was 25 per cent., while the highest amounted to 50 per cent. It will be realised, therefore, that the results for the past year show a considerable falling off as compared with those of recent years. The decision not to recommend a dividend is attributed to the unfavourable results secured for the twelve months to March 31 last, and in addition to the uncertainty as regards the duration of the War and the continued interference with the Company's trade. Naturally the Company has suffered in every branch of its business, the fur trade, the land department, and the sale shops alike suffering, and the shareholders will doubtless be quite prepared to find that the fur trade has proved the most unsatisfactory. Twelve months ago the decline in prices of furs was described as serious, the falls ranging between 10 per cent. and 40 per cent. The dislocation in the trade during the past twelve months has been unprecedented, and a further fall in prices ranging from 10 per cent. to 50 per cent. has occurred. For

example, the price of Otter has fallen 50 per cent., after a fall of 25 per cent. in 1914; the price of Mink also records a fall of 50 per cent., following on one of 26 per cent.; that of Musquash shows a reduction of 30 per cent., following on one of 40 per cent.; and that of Lynx one of 40 per cent., after a previous fall of 38 per cent. Herewith we set out the declines that have occurred during the past two years in the prices of the principal furs:

	1915	1914		1915	1914
	%	%		%	%
Otter declined	50	25	Musquash declined	30	40
Fisher "	35	37	Skunk "	25	15
Silver Fox "	50	10	Marten "	35	30
Red Fox "	20	15	Ermine "	20	39
White Fox "	20	19	Bears "	10	35
Mink "	50	26	Lynx "	40	38
Beaver "	30	10	Wolf "	—	10

It is pointed out that owing to the Company's collection of furs in many cases taking a considerable time to reach this country the further fall, as compared with prices ruling before the outbreak of war, has rendered it impossible to avoid a loss in this department of the business, the loss amounting to a sum of £33,536.

Naturally, also, the land department has been seriously affected. Of course, in a time of depression no attempt is made to push the sales of land, inasmuch as the Company is able to play a waiting game and conserve its resources with the certainty of ultimately securing much higher prices in the next period of prosperity for Canada. The land department has thus suffered from an absence of demand, and a consequent diminution of sales, and, in addition, from a difficulty in collecting instalments due. The farm land sales for the year ended March 31 last comprise 16,400 acres for \$306,550, an average of \$18.69 per acre, compared with 26,292 acres for \$572,837, an average of \$21.78 per acre for the year preceding. Sales of town lots amounted to \$17,736, compared with \$131,170 and \$6,207,023 for the year to March 1913. The total sales amounted to £66,634, compared with £144,659 for the previous year and £1,507,362 for the twelve months to March 1913. Altogether receipts amounted to £205,402, as against £463,196.

To show the manner in which the revenue from the sale of land has fluctuated we give the following table, which shows the acreage sold and the average price per acre realised by the sale of farm lands, together with the sum received on account of town lots, and the profit made, for each of the past nine years:—

*Land Account for 9 Years.*

Year to March 31	Farm Lands			Town Lots	Profit
	Acres Sold	Average Price per Acre	Total Received		
1915	16,400	18.69	306,550	17,736	5,470
1914	26,292	21.78	572,837	131,170	297,301
1913	55,581	21.06	1,128,806	6,207,023	599,926
1912	42,554	19.01	808,944	810,690	273,268
1911	267,038	14.03	3,747,768	330,156	548,512
1910	104,383	12.43	1,297,454	225,128	240,045
1909	25,449	11.34	288,836	47,074	175,476
1908	21,214	12.60	267,364	124,792	185,428
1907	140,089	9.78	1,370,638	256,350	283,879

Altogether the Company received in cash from land sales a sum of £131,091, and it is interesting to note the manner in which this item is made up as compared with the sales of the two previous years. The statement is as follows:—

Year to March 31—1915	1914	1913	1912
£	£	£	£
Winnipeg	6,036	6,961	4,994
Edmonton	35,484	148,260	372,785
Fort William	2,360	8,198	3,911
Fort Frances	—	—	1,002
Prince Albert	—	—	2,269
Victoria	3,101	3,965	7,686
Arthurs Landing	1,215	7,641	12,882
North Battleford	3,475	7,084	9,824
Other town lots	1,600	2,919	2,181
Farming lands	75,395	155,364	188,407
	131,091	343,935	627,724
			294,810

As already stated the total receipts from land sales for the year amounted to £205,402. To this must be added £51,929 brought forward from the previous year, thus making a total of £257,330. The expenses have absorbed £199,932, leaving a balance to the credit of the land account of £57,398, as compared with

£453,876 last year, and £971,751 for the year before that, as may be seen from the following comparative statement.

*Land Account.*

	1911-12	1912-13	1913-14	1914-15
	£	£	£	£
Brought forward	298,557	371,825	156,575	51,929
Cash received from sales of land	294,810	627,724	343,935	131,091
Interest on unpaid instalments, &c.	74,554	89,600	119,261	74,310
Total receipts	667,921	1,089,149	619,771	257,330
Expenses	96,096	117,398	165,895	199,932
Balance	571,825	971,751	453,876	57,398

The sale shops have also suffered considerably from decreased trade, and this position is likely to continue during the period of the War, though it is hoped that some relief in this respect will be experienced should the promise of the large crops in the Western Provinces be realised. There was secured a profit on the general trading of £63,407, rents, interest, etc., brought the figure up to a total of £118,345. After deduction of London expenses, etc., and the loss of £33,536 on the fur trade, there is a profit balance of £30,641. Adding to this the profit from land of £5,469, a total of £36,110 is shown, which compares with £383,937 twelve months ago.

We give below a table showing the profits secured from trading and from land, also the total net profits and dividends, from 1907.

*Profits and Dividends for 9 Years.*

Year to May 31	Profits from Trading	Profits from Land	Total Net Profits	Divi- dend %
1915	30,641	5,469	36,110	Nil
1914	86,636	297,301	383,937	40
1913	228,324	599,926	828,250	50
1912	196,070	273,268	469,338	40
1911	159,966	548,521	708,487	40
1910	166,156	240,045	406,201	40
1909	80,392	155,476	235,868	25
1908	141,595	160,428	302,023	30
1907	197,689	258,879	456,568	42½

The paid up capital amounts to £2,999,958, the total liabilities amounting to £7,997,411. The principal asset is the amount invested in the sale shops and other trading valued at £6,561,173. The amount invested in the fur trade appears as £817,031. Attention is drawn to the fact that no credit is taken in the balance sheet for the following assets:—

(a) Instalments and interest payable to the Company, \$8,214,727; (b) town sites valued for taxation by the municipal authorities at \$23,749,823; (c) about 4,100,000 acres of farm lands. Herewith we summarise the liabilities and assets as at May 31 last:—

LIABILITIES.		ASSETS.	
	£		£
Issued capital	2,999,958	Cash	41,202
Deposits	24,617	Invested in fur trade	817,031
Sundry creditors	4,281,533	Invested in sale-shops, &c.	6,561,173
Insurance, &c., funds	420,000	Cash and other balances at	
Reserve	108,370	Winnipeg	111,024
Land account	54,626	Advances in London	222,102
Profit and loss	108,307	Sundry debit balances	12,188
		Cash on deposit	232,691
		Unsold lands	—
	7,997,411		7,997,411

At March 31, 1914, the unsold land in the possession of the Company amounted to 4,091,376 acres, and as during the year 16,400 acres were sold, and 24,525 acres accrued to the Company under the deed of surrender, and 11,210 acres reverted to the Company under cancellation sales, there is now in hand 4,110,711 acres.

It is scarcely likely that the current year will show much, if any, improvement on that for the year just ended. The outlook for the fur trade is still far from reassuring, and for some classes of furs which are usually in demand for Germany no considerable sale is anticipated until trade again takes a normal course. Similarly with land sales, it can hardly be expected that during the continuance of the War much activity will be shown, and the only factor of any cheerfulness for the immediate outlook is the possibility of the sale shops experiencing better trade as a result of the anticipated large crop in the Western Provinces, but it would scarcely be wise for shareholders to count

too confidently on the directors being able to restore the dividend as a result of the current year's trading. The £5 Preference share may be obtained at about 4½, while the £1 Ordinary share still stands at 5½, though two years ago, it may be pointed out, these shares were quoted at 11½.

### VALLAMBROSA RUBBER.

THOUGH the net profits of this Company for the twelve months to March 31 last are slightly less than those for the previous year, the dividend has been increased from 25 per cent. to 37½ per cent., but last year the distribution was purposely cut down to about half the rate possible, owing to the desire of the board that the full acreage should be brought to maturity without any increase of capital. In the report twelve months ago the directors drew attention to the fact that the original planted acreage of 930 acres had been increased to nearly 3,400 acres without any increase in the capital of the Company, and they anticipated that the two latest secured estates together would in future be self-supporting. They also expected that the profit from Vallambrosa for 1914-15 would suffice to free the Company of debt and pay a dividend. These anticipations have been more than borne out, as the proceeds of the crop from Bukit Kraiong for the past year have exceeded by some £3,800 the total expenditure on Bukit Kraiong and Athlone taken together, and the balance sheet shows that the Company is now free of debt. The net result is that the Company now owns 3,346 acres of rubber, representing slightly over £15 per acre, and 50 acres of coconuts. The combined area of the three estates is 3,463 acres, and for the twelve months to March 1915 the total crop secured was 542,203 lb., as against an estimate of 535,000 lb., and a crop for the previous year of 556,238 lb. The average gross price received fell from 2s. 4.52d. to 2s. 1.88d., but the reduction in the average gross price was counterbalanced by an almost equal reduction in the "all-in" costs, which fell from 1s. 1.43d. to 10.65d. per lb., the f.o.b. cost Port Swettenham falling from 10.57d. to 8.06d.

Herewith we set out the details of the crop, prices and costs for the twelve months to March 31, 1915:—

	1914-15	1915-14
Total crop ... ..	542,203 lb.	556,238 lb.
Average gross price ... ..	2s. 1.88d.	2s. 4.52d.
Cost f.o.b. Port Swettenham ... ..	8.06d.	10.57d.
Freight ... ..	.61d.	.61d.
Selling expenses and interest on debt ... ..	.30d.	1.07d.
War Risk Insurance ... ..	.26d.	—
Head Office exps. including interest ... ..	1.09d.	1.18d.
Total "all-in" cost ... ..	10.65d.	1s. 1.43d.

The total gross profit received amounted to £56,722, as against £52,420, but as expenses rose from £26,150 to £31,849 the net profit fell from £26,270 to £24,873. This is nearly sufficient to provide for a dividend of 50 per cent., but the rate is fixed at 37½ per cent., as against 25 per cent. twelve months ago, and of the balance £5,000 is placed to a reserve fund available for development expenditure, and £1,473 is set aside to write down the book-value of the estates to £100,000. The carry-forward is increased by £1,006 to £6,759.

The following is a synopsis of the profits for the past six years:—

Year ended Mar. 31—	1915	1914	1913	1912	1911	1910
Gross ave. price ... ..	1.88	1.88	4.15	4.11	5.74	8.50
Cost ... ..	1.06	1.06	1.55	1.46	1.72	1.43
Net ... ..	1.3.3	1.3.1	2.7.8	2.6.5	4.4.4	7.1.8
Gross profit ... ..	55,670	56,722	83,273	96,347	110,808	147,052
Other income ... ..	1,052	—	4,530	6,873	13,913	7,246
Expenses ... ..	56,722	52,420	87,803	103,020	124,721	154,278
Dividend ... ..	31,849	26,150	32,904	35,102	35,587	27,293
Provision ... ..	24,873	26,270	54,899	67,918	91,134	126,085
Reserve, &c. ... ..	17,394	11,912	47,648	61,843	83,384	119,121
Brought forward ... ..	1,006	—	2,251	975	7,250	7,864
Carried forward ... ..	6,759	6,805	8,501	7,302	7,381	15,073

\* After deduction of directors' fees.

The issued capital is £50,600 in 2s. shares, and the reserve at March 31 last amounted to £40,000. This item has since been brought up to £45,000, and with the sum carried forward is, roughly, equal to the paid-up capital. The total assets at March 31 last were valued at £127,659, as may be seen from the following statement of liabilities and assets:—

LIABILITIES.	ASSETS.
Issued capital ... ..	50,600
Reserve ... ..	40,000
Staff bonus fund ... ..	2,000
Bills payable ... ..	2,433
Sundry creditors ... ..	50,626
Total ... ..	127,659

As the cultivated area now stands at about £15 per acre it means that, with a yield of 300 lb. per acre and a profit of 1s. per lb., the Company should be able to earn somewhere about 100 per cent. It should be added, however, that the old rubber on Vallambrosa has always averaged over 300 lb., and the young rubber which is coming into bearing is in every respect superior. There are fewer trees to the acre, the soil is better, and growth more vigorous. Tapping on a limited scale is to be begun in October on the 300 acres of Athlone estate planted in 1910. The estimated crop from Vallambrosa for the current season is 406,000 lb. and from Bukit Kraiong 175,000 lb., or together 581,000 lb. It is probable that the Company will secure a higher gross average price, and with the costs brought down to their present figure, even should no further economies be found practicable, the outlook is for an increase in profit for the current year, and as on last year's figures the Company earned 50 per cent. on its capital it is likely that for the current year the distribution will be much larger than the 37½ per cent. paid for last year. The present price of the 2s. share is 12s. 6d., and on the basis of a distribution of 37½ per cent. the yield afforded is about 6½ per cent. In view of the probable larger distribution the shares may be regarded as an attractive rubber investment.

## Correspondence.

### THE GOLD SITUATION.

To the Editor of THE STATIST.

SIR,—The following particulars on the gold question, which is now attracting some considerable public attention, may interest some of your readers. On Wednesday, July 29, 1914, the day after Austria-Hungary declared war against Serbia, the gold coin and bullion (including a small amount of silver) held by the Bank of England amounted to £38,131,000. Twelve months later, namely, on Wednesday, July 28, 1915, the amount held had risen to £60,906,000. The increase has, therefore, been £22,775,000, and is accounted for as follows:—

	Year ending July 28, 1915
Gold received by the Bank of England from abroad (or earmarked at certain depositories on account of the Bank of England) in excess of gold sent abroad (or released from certain depositories) ...	73,212,000
Subtract gold absorbed by provincial circulation in excess of gold returned from provincial circulation) ... ..	21,937,000
Subtract gold set aside as part reserve for Treasury Currency Notes ... ..	28,500,000
Increase in Bank of England's gold stock ... ..	22,775,000

From the particulars given it will be observed that the internal circulation of this country has absorbed £21,937,000 in gold since the commencement of the War. This absorption is serious in view of the fact that the Treasury Currency Notes outstanding on July 28, 1915, amounted to £45,387,000. These notes have been absorbed by the home circulation since the outbreak of War, and should, under normal conditions,

have displaced approximately their equivalent in gold, as should likewise the increase of £3,825,000 in the active note circulation of the Bank of England. The total absorption of additional currency by this country since the commencement of the War has therefore been £71,149,000. The increased note circulation of the Scotch and Irish Banks of issue does not affect this total, because such increase has to be covered by gold and silver. Nor does the £28,500,000 in gold held by the Government as part reserve for the outstanding Currency Notes, for this gold has been accumulated out of gold received from abroad by the Bank of England since the commencement of the War.

The total additional absorption of £71,149,000 of legal tender currency cannot altogether be attributed to hoarding by the public. Part of the absorption is undoubtedly due to the increased currency requirements consequent on the extensive military mobilisation, part to the considerably increased cost of commodities, and part to the greater reserves of legal tender currency held by some of the larger banks in their own strong rooms. Some of the gold may indirectly have reached Germany in small amounts at a time.

One probable explanation of part of the almost continuous internal absorption of currency is that the, more or less, forcible issue of Treasury Currency Notes on the public is increasingly causing the public to hoard gold. It is a well-proved banking maxim that every restriction on gold going out acts as a restriction on it coming into the banks. The Press has the power by continuous appeals to patriotism to cause much of the gold now hoarded to flow again into the banks.

A. H. GIBSON.

Kent Road, Harrogate, August 5, 1915.

## New Issues.

### LONDON AND NORTH-WESTERN RAILWAY.

#### 4½% PREFERENCE AT UNDER 96.

THE long-contemplated issue of new capital by the London and North-Western Railway has now been decided upon, and the form in which it is being offered to investors is such that no doubt exists as to the success of the issue. Messrs. Glyn, Mills, Currie and Company are authorised by the directors of the Company to receive applications for £1,500,000 of 4½% Redeemable Preference stock, which will rank as to security *pari passu* with the existing 4% Preference stock of 1902. The new stock is issued at the price of 96 and is to be redeemed at par on June 30, 1925. A full half-year's interest will be forthcoming on January 1 next, although the bulk of the new money is not to be paid up until the latter part of August. Allowing for this fact, the net price of issue is approximately 95½, at which the return, allowing for redemption 10 years hence, is fully 5½ per cent.—certainly an attractive yield for so strong a security. Leaving redemption at par out of account the yield is about 4¾ per cent. Some idea of the strength of the security is evident from the fact that the net profit of the Company after the payment of all Preference dividends this year will reach almost £2,900,000. The new stock is being offered to the general public, but preferential consideration will be given to applications from existing stockholders. The money now being raised is needed in connection with the electrification of the Euston to Watford line and for various works at Holyhead.

### SOUTH METROPOLITAN GAS COMPANY.

Additional capital being required to meet increased business, the directors of the South Metropolitan Gas Company are offering to consumers stock at the price of 82 per cent. in amounts of not less than £5 or multiples thereof. At the present price of 2s. 10d. per thousand cubic feet the dividend payable is at the rate of £4 8s. per cent. per annum, which at the above price of the stock gives a yield of practically 5½ per cent. to the investor. Applications will be received up to August 16.

## Life Assurance at Minimum Rates

A  
PLAN of ASSURANCE  
SPECIALLY ADAPTED  
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### GRESHAM LIFE ASSURANCE SOCIETY, LIMITED,

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Founded 1848. Funds £10,500,000

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Transacts all classes of Fire and Accident Business.  
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### PERMANENT SICKNESS AND ACCIDENT INSURANCE.

Policies are granted, renewable at the option of the Assured, up to a selected age not exceeding 65, insuring against temporary or permanent Loss of Income.

#### SPECIAL FEATURES.

Capital Sum "Sickness, Accident or Death" Policy.

Capital Sum Sickness and Accident Policy.

Perfected Sickness and Accident Policies.

CHAS. WINDETT, Actuary and Secretary.

### THE CITY LIFE ASSURANCE COMPANY, LTD., 6 PAUL STREET, FINSBURY, LONDON, E.C.

Capital Authorised - £500,000. Capital Paid up - £108,507.  
Capital Subscribed - £129,000. Invested Funds exceed £699,000.

#### THE LIFE ASSURANCE BRANCH EMBRACES:

Whole-Life and Endowment Assurance.

Immediate and Deferred Annuities.

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The "City" Life Assurance and House Purchase Policy.

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The popular series of "Ideal" Policies.

The Pure Endowment "Advance" House Purchase Policy.

The Scout Policy; and many other attractive tables.

Active Agents wanted. Liberal Terms. Exceptional opportunities for early promotion to lucrative positions. Prospectus and Terms free on application.

M. GREGORY, General Manager.

## COMMERCIAL UNION ASSURANCE COMPANY, LIMITED.

Chief Office - CORNHILL, LONDON.

Total Assets (including Life Funds)—£26,774,505.

## ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £20,409,644

FIRE, LOSS OF PROFITS,  
MOTOR CAR, MARINE, LIFE,  
ACCIDENT, FIDELITY,  
BURGLARY, LIVE STOCK,  
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HEAD OFFICE: 1 North John St., LIVERPOOL  
OFFICES: 24-28 Lombard Street, LONDON

## Commercial.

### THE WAR AND METALS.

WE have now had about twelve months of the War, and it is possible to look round to see its effect upon the metal trades, effects which would have appeared incredible in happier times. With the matter of prices and supplies it is not proposed now to deal, these having been discussed in various articles covering specific metals; but it is intended to allude briefly to other events, more particularly to the steps taken to meet specific contingencies which have arisen. In a general way exports of metals and of metal goods have been either prohibited altogether or else permitted only under licence. The effects of this have

been various, but, broadly, the intention to prevent serviceable materials reaching the enemy has at the same time hit British manufacturers pretty hard in some directions; though no complaint can justly be made of this, except in the numerous instances in which official ineptitude has been seen at its best. For instance, the refusal to permit rough copper to be sent from here to America to be turned into refined copper, which policy has only just been modified, has merely assisted American speculators engaged in running up copper prices against the British Government, and has forced the latter to buy dearer copper when they could have cheap material for the asking. Now that copper seems definitely to have turned downwards under the growing weight of supplies, and the advantages to be derived from the exercise of a little nous have largely disappeared, export permits have been granted, and several hundred tons of standard copper are now going to America for conversion. The refined copper resulting from this is to be shipped to Liverpool.

Then with spelter. Here the authorities very carefully pickled the rod for their own backs. In the early days of the War they were told over and over again by those in a position to speak with authority that the spelter position might become very dangerous, but that if the Government were willing all the spelter needed could be obtained from British manufacturers, always provided, of course, that the situation was handled with a modicum of common-sense and discretion. Blind to all arguments, and deaf to all reason, they pursued their own course, with the result that spelter prices in London rose to about £130 a ton, while in Berlin they stood at £25, or a trifle more. The fundamental mistake of the authorities here lay in recruiting the skilled labour from the spelter furnaces of this country. This is an error which cannot be remedied in five minutes, and there is no hope of materially lower prices now until growing production in America makes itself felt, or some signs of successful military action in France and Belgium are visible. Fortunately the American position seems now to be weakening. To relieve the acute scarcity the Government called together the principal consumers of spelter, and by arrangement took over from them many thousand tons of their holdings of spelter at a price agreed upon, which material it is now peddling out to makers of munitions at cost price, to enable them to roll their cartridge metal. Incidentally, the action of the Government has practically closed down the galvanised sheet works of this country, whose trade had been rendered increasingly difficult owing to the extravagant price to which, largely owing to official policy, spelter was driven, to say nothing of the vigorous recruiting campaign carried out amongst the employees.

The next metal regarding which anxiety was felt was antimony. The production of this is limited, but its use is essential in bullets, and its value has risen to fabulous figures. Government supplies seem now to have been practically assured by an arrangement come to between the authorities and the manufacturers in this country, and for the time being makers refuse to quote, though there are a few odd lots of Japanese and Chinese regulus available in second hands.

Very great anxiety has been felt regarding the supply of steel alloys, especially tungsten. Tungsten, which is used as a strengthener of steel, and as such is employed principally in the production of armour-plate and other war materials, is reduced from the ores wolfram and scheelite. At the outbreak of war the principal market for these ores lay in Germany, where a number of works had specialised upon the reduction of the raw material to the metal, and the facilities which existed for turning out tungsten in this country were a year ago very limited. Important developments have taken place since then, however, and the smelting capacity is now ample, but in order to secure

a full supply of ore various special steps have been taken. The chief sources of supply are Australasia and Burma, and exports of wolframite and scheelite are now forbidden from these colonies except to the Mother Country; while in order still further to regulate the trade arrangements have been made whereby the price of ore has been practically fixed at 55s. a unit, basis 65 per cent. The effect of this will be that the British consumer should know exactly what he will have to pay, and be able to regulate his price of tungsten, while the Government are effectively safeguarded as regards their requirements. There seems a lot of delay and muddle, however, about the arrangements. A certain amount of ore is available from sources other than those mentioned above, and this, of course, will be susceptible as regards price to ordinary market conditions. France, indeed, has within the last few days paid very considerably higher prices than those fixed in this country for material.

Last, but not least, there is the ferro-manganese position. Large quantities of manganese ores are mined in Russia, but these have been cut off owing to the closing of the Dardanelles, and we are compelled to rely principally upon material coming from India. Ferro-manganese is a most important constituent in ordinary steel, and the difficulty of procuring supplies is undoubtedly being felt sharply in Germany. The necessity of providing an adequate supply for the British steel trade has been receiving the earnest attention of our authorities, who have now ordered consumers to lay in stock a quantity equal to three months' normal consumption. This is to be held entirely in reserve, apart altogether from the quantities intended for current use. Further than this, producers have been instructed to hold three months' output in stock, and also three months' supply of ore, while a monthly return is to be made by all parties concerned, giving full particulars of the quantities which they hold, &c. Nothing has been done in the direction of fixing prices for manganese or manganese ore, it being the opinion of the authorities apparently that the position can be effectively dealt with in the manner indicated.

The tinplate trade has been disorganised very badly, not only by the vigorous recruiting campaign, but also by the excessive restrictions imposed upon exports. It becomes difficult even to transport tinplates from South Wales to London, while shipments to Switzerland, Sweden, Norway, Denmark, and Greece are next to impossible owing to permits being refused. The ridiculous attitude taken up as regards Italy, to which country shipments were stopped recently on the ground that Italy had not declared war on Germany, has now been abandoned, and there is some faint hope that more reasonable conditions will eventually be introduced into the general export situation.

The comparison of prices over the past twelve months is shown below:—

	July 30, 1914	July 30, 1915	Rise
	£ s. d.	£ s. d.	£ s. d.
Copper, standard cash, per ton ...	55 15 0	71 5 0	+ 15 10 0
Copper, electrolytic, per ton ...	59 15 0	87 0 0	+ 27 15 0
Tin, standard cash, per ton ...	132 0 0	155 0 0	+ 23 0 0
Spelter, prompt, per ton ...	21 10 0	100 0 0	+ 79 10 0
Spelter, forward, per ton ...	21 15 0	85 0 0	+ 63 5 0
Lead, prompt, per ton ...	18 15 0	23 12 6	+ 4 17 6
Zinc sheets, per ton ...	24 10 0	125 0 0	+100 10 0
Antimony, per ton ...	27 10 0	£100-120	+ 80 0 0
Ferro-tungsten, per lb. ...	2 4	6 9	+ 4 5
Wolfram ore, per unit, 65%... ..	1 12 6	£2 15 -£3	+ 1 15 0
Ferro-manganese, per lb. ...	8 0 0	20 0 0	+ 12 0 0
Quicksilver, per bottle ...	6 11 6	13 7 6	+ 11 16 0
Aluminium ingots, per ton ...	61 0 0	170 0 0	+ 89 0 0
Nickel, per ton... ..	158 0 0	230 0 0	+ 62 0 0

It is possible that as time goes on more metals still will be taken under Government control. It is believed that aluminium, for instance, is being very closely looked after by the authorities, and there is a strong probability of Government interference in some other directions. It is something quite new for us in this country to be faced with the regulation of trade in this way by the Government; but war justifies most things, and in the War there is

to be found ample warranty for the paternal attention shown by the State to the metal trades. It is a matter for some satisfaction that as time goes on the action of the authorities seems to be tempered with more of the quality of "sweet reasonableness" than was apparent last autumn, and it is well indeed that such is the case, while there is still very great room for improvement.

### AMERICAN COTTON.

LIVERPOOL: Thursday.

WE have little change to report in the outward aspect of our market since we last wrote. Business continues active on the spot, but restricted in futures. Some short covering before the holidays and before the publication of the Washington Agricultural Bureau condition for July caused prices to harden a little. This buying, and the usual covering by merchants against spot sales and "calis" by spinners, has been more than sufficient to absorb the daily offerings.

The Bureau estimate of condition was published on Monday last, and reported for July an average condition of 75.3, against 80.3 in June and 76.4 for July last year. This report is mildly "bullish," as it is slightly worse than expected, but its influence on the market was evanescent, and was counteracted by later favourable crop news. Cables report that the drought in South-west Texas has been broken by general showers, and the market believes that the crop is making satisfactory progress. The Agricultural Bureau reports that under present conditions the new crop will be slightly under 12,000,000 bales.

A crop of 12,000,000 bales, together with a carry-over from the present season of 4 to 5 million bales will be considerably in excess of the world's requirements when, through the war, a great portion of European spinners are unable to buy their supplies.

In the endeavour to foresee the future course of prices political as well as economic forces have to be estimated. Various schemes have been adumbrated in the American papers of Government purchases, or plans for relieving Southern spinners. If the market is left to itself, we think, provided the crop experiences no serious set-back, that we shall see lower prices, but any attempt to relieve the market of its surplus supplies would change the outlook and, if it does not cause a permanent advance, should at the least check a decline. Meanwhile, the safest course appears to be to keep one's books as square as possible.

On the spot business has been active. We have no change in the selling basis to report. Spinners are beginning to interest themselves in early new-crop deliveries, and we hear also that importers are receiving practicable offers for early shipments from the States. The volume of this business transacted so far is inconsiderable.

The London and Lancashire Fire Insurance Company have just issued the new edition of their Cotton Crop Book for the season 1915-16. This booklet has come to be regarded as a standard authority on figures relating to the crop.

"The Soul of Europe," by Joseph McCabe, is an interesting psychological study of the peoples of the several nationalities engaged in the present War. The author gives special attention to the elucidation of the characters of the Kaiser, the Tsar, and King Albert. Price 10s. 6d. net. (London: T. Fisher Unwin.)

"The World in Conflict." This book consists of a series of articles contributed by Mr. L. T. Hobhouse, D.Litt., to the *Manchester Guardian* during March, April, and May of the present year. Price 1s. (London: T. Fisher Unwin.)

## The Citizens Central National Bank of New York.



ESTABLISHED 1851.

In the Centre of the  
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CHAS. ALLEN MUNN (President, Munn & Co.).

FRANK PRESBREY (President, Frank Presbrey Co.).

EDWIN S. SCHENCK, *President.*

### CONDENSED STATEMENT JULY 1, 1915.

RESOURCES.				
Loans and Discounts	...	...	...	\$24,312,518.11
U.S. Bonds and Investments	...	...	...	2,097,930.19
Due from Banks...	...	...	...	3,099,054.39
Due from Fed. Res. Bank	...	...	...	1,972,094.60
Cash and Exchanges	...	...	...	8,579,481.59
Total	...	...	...	\$40,061,078.88

LIABILITIES.				
Capital Stock	...	...	...	\$2,550,000.00
Surplus and Profits	...	...	...	2,209,844.21
Reserves	...	...	...	300,000.00
Circulation	...	...	...	1,636,697.50
Deposits	...	...	...	33,364,537.17
Total	...	...	...	\$40,061,078.88

FOREIGN EXCHANGE, COMMERCIAL AND TRAVELERS' LETTERS OF CREDIT.

# MEETINGS OF PUBLIC COMPANIES.

## THE UNION BANK OF MANCHESTER, LIMITED.

The seventy-ninth annual general meeting was held at the Head Office of the Bank, York Street, Manchester, on July 30, 1915, the chair being occupied by G. C. Haworth, Esq. (Chairman of the Bank).

Mr. Peter Forrester read the notice convening the meeting, and also the auditors' certificates attached to the last two balance sheets.

The Chairman, in moving the adoption of the report and accounts, said: I do not think any of those who were present at our last meeting anticipated that within the short period of three days our country would be plunged into the greatest war in history. The conditions which then existed were altogether without precedent, and I do not think any of us is likely to forget the experiences of August 1914, with all its fears, the dread of panic, the dislocation of trade, relieved as it was by the moratorium. Thanks to our leaders and financial experts, backed by the traders and the commercial community, we were enabled to weather the storm, confidence was restored, and the country settled down to bear the strain imposed by a world-wide war. You will agree with me that the strength and vitality of our country have never been revealed so clearly as by the experiences of the past twelve months. We have confidence, however, not only in our military and naval resources, but also in the ability of the Empire to carry this War to a successful issue.

### The Accounts.—Gross Profits Increased.

The gross profits for the half year just closed amounted to £103,512, which is considerably more than last half-year, and shows an increase of £11,614 on the corresponding half of 1914. It is true that the Bank rate being at the high level of 5 per cent. has enabled us to make such an improved report in our profits; on the other hand, our turnover has suffered as a result of the restriction of trade in various ways owing to the War. With many of our customers, however, the exigencies of the War have done much to increase their turnover in supplying the demand for the Army and Government requirements. Foreign trade has suffered severely through the War, exports being less than last year, while imports are much higher. The decrease in our exports cannot altogether be attributed to lack of demand, but has been largely caused by the scarcity of ocean-going steamers, together with the high rate of marine insurance. With all that, the turnover of our Bank has steadily increased, and the rate of turnover is similar to what we experienced in the corresponding period of last year. As previously named, the gross profits are £103,512, and with the amount brought forward we have a total of £111,693. After deducting the working expenses of £45,328 there is a net disposable balance of £66,365. This, as I mentioned before, is in excess of last half-year. I might add that the expenses are more than we have had in previous years, the increase being largely as a result of the special expenses arising out of the War, together with the new branch of our Bank at Blackpool. The business done, however, at the latter place has more than justified our enterprise in that direction. Whilst referring to the branches, let me again remind you that we are about to open an office in St. Helens, the present being a favourable opportunity for extending our operations to that town. The transfers to Bank premises account and pension fund are the same as before. We have not made any transfer to the reserve fund this half. Our investments have been kept at a low figure, the values being reduced to market prices. The depreciations thus required have been taken out of our current profits.

### The Balance Sheet.

Turning to the balance sheet, the important item of current, deposit, and other accounts first attracts our attention, viz £7,023,546. Comparisons with previous balance sheets all record annual increases. On referring to 20 years ago you will find the deposits were then only one-third of the amount as at June last. Let me remind you that the deposits are usually higher at the end of December than they are at June. The next item—bills accepted by the Bank, £418,077—does not call for special comment, nor does the succeeding item—viz., open credits, &c., £266,779. On turning to the other side of the balance sheet, that is our assets, you will observe that cash on hand stands at the satisfactory figure of £1,438,633. The item of investments stands at £1,205,182, but to this we have to add our subscription to the new War Loan, amounting to £1,200,000, making a total, with the old War Loan, approaching £2,000,000. This War Loan is very much the character of the whole of our investments, being British Government securities. Bills of exchange stand at £654,076. This would have been much larger had it not been for the War, but owing to the restrictions and difficulties in carrying on

foreign trade, to which I have already referred, bills of exchange are somewhat scarce. The total assets, of a more liquid character, amount to £3,297,891, which is equal to the satisfactory percentage of 46.9 of our total liabilities to customers. Loans and advances to customers, £4,372,330. This figure is a little less than the last two half-years, although our deposits have so much increased. The last three items on the balance sheet do not call for any special comment.

Mr. Edwin Barlow seconded the resolution, which was passed unanimously.

## FARROW'S BANK, LIMITED.

### The War's Effect on Banks.

The eleventh annual general meeting of Farrow's Bank, Limited, was held on August 3, Mr. Thomas Farrow (Chairman of the Bank) presiding.

The Chairman commented upon the serious situation which had arisen in international affairs since the last meeting of shareholders. No one, he said, could have contemplated that at their last gathering they were on the eve of so stupendous a tragedy or at the commencement of a war the like of which had never been known in the history of the world. It was true that they had had some slight warning by the sudden rise of the Bank rate that England might be involved in a European cataclysm, but that we should have been committed to such an extent no one could have foreseen. That week in August last comprised laborious days and sleepless nights on the part of the directors in preserving the Bank's interests.

### Tribute to the Treasury.

The situation was as grave as could have been imagined for the whole of the banks of the country, but, thanks to the initiative, the foresight, the courage of the Government, and in particular of Mr. Lloyd George, the then Chancellor, measures were devised by which panic was averted and public confidence restored. The word "moratorium" had become to bankers as sacrosanct as that blessed word "Mesopotamia" to the old lady of legend and fable. The result of the measures which the Government initiated under the guidance of the leaders of finance and the bankers of the City were such that within a few days from the outbreak of the War the banks themselves were able to proceed upon the even tenor of their way practically as if there had been no European crisis, and as though the German Emperor had not suddenly thrown the whole of the world's affairs into the melting-pot. It could not be too strongly emphasised that the imagination and the courage which Mr. Lloyd George and his successor in office had shown in rallying to the support of the banking institutions of the country had been of the highest importance, and he was glad to say that Farrow's Bank had been included with all the other joint-stock banks in the assistance which the Treasury had offered, and might still vouchsafe, to them.

### The Balance Sheet.

In the patriotic calls which had been made upon us as a nation he was glad to record that the clients and customers of Farrow's Bank had done their part. They had responded whole-heartedly to both the War Loans which had been issued, and as a Bank they had had the privilege of applying on behalf of their customers and themselves for an appreciable amount of stock. Obviously the withdrawal of large sums for this purpose had tended to deplete the current account and deposit balances, but despite that result the balance sheet now submitted disclosed the fact that the Bank had increased its figures all round in such a way as he was sure would command the satisfaction and approval of every shareholder. The Bank's assets had reached the sum of £1,880,888 12s. 4d., a near approach to the much coveted two millions; the current, deposit, thrift, and other accounts had reached the large total of £1,449,272 13s.; and in that connection he observed that no less than £1,016,220 12s. 1d. of that sum was represented by deposits which were subject to varying terms of notice. The Bank still adhered, and would continue to adhere, to its original policy of refusing to receive deposits at call. Stock, share, and other investments amounted to £490,263 8s. 2d., and the former had been written down to the official minimum prices, or prices quoted in the Official List or by brokers at June 30, 1915. Advances to customers, loans, bills discounted, and other accounts amounted to £1,146,676 4s. The net profit for the year, including the balance of £8,104 6s. 4d., amounted to £45,810 7s. 6d. £15,000 had this year been added to the reserve fund, as against £7,500 last year and £5,000 in ordinary years. There was a carry-forward of £10,312 1s. 7d. undivided profit, which was larger than that of any previous year. These measures

of prudence he believed would commend themselves to the shareholders. The dividend for the year was at the rate of 6 per cent., a reduction of 1 per cent. on previous years, another instance of the directors' desire to husband the resources and to conform to the excellent example offered them in this respect by the other joint-stock banks of the country.

#### Excellent Progress of Branches.

The Bank still had the distinction of occupying the premier position in the Annual Official Table, which showed the proportion of capital and reserve of all banks possessing a million pounds of share capital and upwards to their liabilities. The Foreign Department, regardless of the War, had done business which ran into big figures and which had practically doubled themselves during the year; notwithstanding the closing of the Stock Exchange, the Stock and Share Department had made profits which did not compare at all unfavourably with those of previous years; the other departments of the Bank, especially that of the Women's Bank, had similarly shown results beyond all expectations under the abnormal conditions which prevailed. Excellent progress had also to be recorded with regard to the branches in Scotland and Ireland, thanks largely to the advisory boards of those countries.

The report and balance sheet were unanimously adopted, and the usual vote of thanks accorded.

#### WATNEY, COMBE, REID AND COMPANY, LIMITED.

THE ordinary general meeting was held on August 3 at the Westminster Palace Hotel, Mr. H. Cosmo O. Bonsor (Chairman of the Company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—When we had the pleasure of meeting you last year although it was hardly a pleasure then—war had just been declared, and I felt that the figures of the past year were of little interest. The future was an absolutely unknown quantity; but to-day, at any rate, I can give you an account of the year's trading. I will, however, say at once that we view the immediate future with considerable anxiety. I shall be able to explain that to you as I go through various items in our balance sheet and report. To begin with, a large part of our profits and the dividend which we are able to propose were earned in the first four months of the year. July was quite an exceptionally good month, and up to September 30 we showed weekly increases in our sales. From October 1 to November 21 we began to feel the effects of the war and to show small decreases in our sales. On September 30 our increase showed as much as 19,000 barrels, but on November 21 that had shrunk to 11,000 barrels. I mention November 21 because that was the day on which the increased taxation was put upon us, or rather upon the public. The 11,000 barrels that we had to the good then disappeared in one week.

#### Effect of Increased Taxation.

I think it is almost a matter of notoriety that at first the public resented the additional 1d. a pint which was the tax imposed on the standard barrel by the Chancellor of the Exchequer; they resented the tax and went on to other drinks on which no taxation had been imposed. Consequently, on December 31 we found that we had a very heavy decrease and that the increase had disappeared; the decrease from November 21 to December 31 was equal to 34 per cent. compared with the corresponding period of the previous year. Gradually our trade has become better, but still at the end of the year we showed a decrease of 137,000 barrels, while the decrease from November 21 to June 30, compared with the corresponding period of the previous year, had shrunk to 23 per cent. The public have better, but still at the end of the year we showed a decrease of 137,000 barrels, while the decrease from November 21 to June 30, compared with the corresponding period of the previous year, had shrunk to 23 per cent. The public have never come back to stouts and strong ales, which show a decrease of 40 per cent. from November 21 to the end of the year, but they went to what I may call the standard gravity beer, sold at 6d. per quart, and that trade has been more in demand and has decreased the actual percentage to 23 per cent. You see in our profit and loss account a figure which I had hoped had disappeared altogether—namely, bad debts. Between £7,000 and £8,000 this year have had to be written off as bad debts purely and simply from certain localities where adverse conditions and shorter hours prevailed. If you turn to the balance sheet you will find that we have been able to redeem £64,000 of First Preference stock under our Act of Parliament and £143,000 of Debenture stock. What may have possibly startled some of you is that our sundry creditors are up by £160,000. That increase is almost entirely due—I think as to £157,000 of it—to additional beer duty. The Government were good enough to give us a month's credit, and instead of having one month's beer duty shown in the balance sheet we have two months'. The figures of those two months were £99,000 and £88,000, or, together, £187,000, against some £40,000 last year. Consequently, the sundry creditors is an item

which is not a serious matter, because these amounts have been paid since we issued our balance sheet. When we turn to the credit side, the big figure of £10,000,000 odd is, I am bound to say, a good figure, because we have been able to buy more property than we sold. The houses that were compensated we have been able to replace by other properties, and the Debenture-holders may be very happy to think that we have replaced practically the whole of their property, and, at the same time, have written off the whole of the £64,000 of redeemed capital. If you will add up the whole of our investments and liquid cash you will find that we are £20,000 to the good, but against that, of course, we have the fact that a part of that is the credit we get from the Government. You will observe that we have now only £130,000 cash in hand, and, instead of putting money on deposit, we have been buying Treasury bills and the War Loan.

#### Increased Cost of Materials.

I stated at the commencement of my remarks that we view the present situation and immediate future with considerable anxiety, and I wish to tell you why. To begin with, we have to deal with a decrease in our sales of 23 per cent., and I see no reasonable hope that that percentage will in any way be diminished. I anticipate that it has come to stay. It is in the cost of materials that our greatest anxiety is felt. Barley is up on what it was a year ago at least 10s. per quarter, hops are dearer, and we get very bad accounts from the British hopfields; everything, in fact, that we use is dearer. We took into serious consideration, when we were examining our profit and loss account, whether we were justified in proposing the dividend we have recommended. We came to the conclusion, however, that what we had earned during the year, even although we were looking forward to bad times, should be divided among the shareholders, and I hope you will agree with that view.

Mr. Richard Combe seconded the motion, which was carried unanimously.

#### HARVEY AND THOMPSON, LIMITED.

THE ordinary general meeting was held at the Holborn Restaurant on July 23, under the presidency of Mr. Henry Thomas Telling.

The Chairman, in moving the adoption of the report and accounts, said the Company was in a very sound position. When the war broke out they were at the limit of their resources; owing to their bankers £10,000, and stocks were at their highest. They fully expected, as did the trade in general, that there would be an increase in pledgings, and that sales would decrease; whereas, to the great surprise of everybody, exactly the reverse happened. The directors, upon the outbreak of war, summoned a meeting of the branch managers, and pointed out the urgency of the situation. They further requested the branch managers to be very careful in the lending of money, and advised them to overhaul the sale stock and push sales. He was pleased to say that excellent results followed. The interest had fallen off, but owing in a large measure to the public having plenty of money, sales had been good, particularly in the clothing departments, with the result that the profits on sales had more than counterbalanced the loss in interest. Frequent board meetings had been held, and the accounts for purchases had been settled at earlier dates than usual, thereby securing the utmost discounts. The business had been conducted with smaller staff, owing to many of their men having enlisted, and their best thanks were due to those remaining for the great efforts they had made, and for any inconvenience they might have been put to. Wages had been less, and owing to the Government restrictions the accounts for lighting had been less. The pledge stocks were down by about £11,000, and the sale stock was down by about £4,000. The result of that, however, was they had been able to discharge the bank loan and reduce the liabilities by over £5,000. They had written down goodwill by £1,000, and placed £250 to the staff bonus account. It was proposed to pay 12 per cent. on the Ordinary shares for the last six months, making 12 per cent. for the year. They were carrying forward £1,652, which was a larger amount than last year. Sales had been good with pawnbrokers generally of late, and he hoped it would continue, but of course as time went on they might have to face the possibility of a slump. They must bear in mind that the reduced pledge stocks could not produce the same results, but the shareholders could rest assured the directors would make every effort to maintain the dividend by devoting particular attention to pushing sales.

Mr. Edward Price seconded, and said it was the soundest balance sheet the Company had ever issued. At the present time they had about £4,000 less of sale stock, but were doing a better trade on it. To some extent he deplored the fact that their pledge stock had gone down £11,000; however, the shareholders could see they had not frittered away the money, but had cleared off the bank loan, and had at the present time £6,000 on deposit at the bank. In spite of the reduction in their pledge and sale stock, they had been able to make a better profit than they had done for the last four years, so that, taking it altogether, he thought it was

a very satisfactory balance sheet, and hoped a worse one would never be placed before the shareholders.

The motion was put to the meeting and carried unanimously.

### GAS LIGHT AND COKE COMPANY.

The half-yearly ordinary general meeting was held on August 6 at the Chief Office, Horseferry Road, S.W., Sir Corbet Woodall, M.Inst.C.E. (the Governor), presiding.

The Secretary (Mr. Henry Rayner) having read the notice convening the meeting,

The Governor said: Following our usual custom, the report and accounts having been circulated among the shareholders, I propose to take them as read. In order to understand the present position of our Company, and find guidance for the future, we must recollect the state of affairs when I last addressed you, and consider the happenings since then. With the uncertainties and perplexities created by the War, anticipation or forecast has been and is more than usually difficult. Therefore, while I address myself to what may probably strike nearly all here as the most important feature of the actual position—viz., the increase in the price of gas which has been made since our last meeting, and its necessary consequence in a further reduction of the stockholders' dividend and the co-partnership bonus—I must deal shortly with a rather wide case.

#### The Increase in the Price of Gas.

The influence of the War upon the whole range of our operations was very early felt, and precautionary measures were taken without loss of time. In September, the first quarter after the declaration of war, we raised the price of gas from 2s. 6d. to 2s. 8d. per thousand cubic feet, in order, as I have explained, to meet the enormous increase of East Coast coal freights to London, which rose almost at a bound from 3s. to 13s. and more per ton. We were not caught unprepared so far as ordinary provisions could help us. Our coal was bought up to June of this year, and its freightage was, as to a large proportion, arranged for. Had the contracts been duly fulfilled, the small increase in the price of gas would have carried us through, but this was not to be. Deliveries fell more and more into arrear, so, powerless to obtain our due supplies, we were constrained to replenish our vanishing stocks by purchasing such coal as we could at extravagant prices, with freights conforming. I am not seeking to put the blame for our trouble upon anybody. What happened was the fortune of war. We, at any rate, discovered that it was impossible to carry on business upon ordinary lines, trusting to the making of contracts at the usual time. In March the outlook had grown very black. Our stocks of coal were reduced to a few days' supply.

#### High Freight Rates.

The first requisite was tonnage to bring home enough coal to go on with, so we bought certain steamships, knowing that with these we should do much more economically than by paying 13s. 6d. to 15s. for outside boats, and 12s. per ton for boats let out by the Government. As I remarked at the time, these rates were sadly inflated, to the detriment of all home coal consumers. This we have proved by our experience in running our own boats. Those we bought during the winter could hardly be called cheap, as might be supposed, either in first cost or in running, yet for the half-year the total cost of running them has varied from 4s. 5d. to 3s. 2d. per ton carried, including allowances for interest and depreciation. The matter of tonnage being dealt with, there remained the more portentous questions of the probable much higher cost of coal for the period 1915-16 and the certain increase in the cost of all other consumables and materials. The second important raw material of our manufacture is oil, and the price of that had already gone up in sympathy with coal, and we knew we should be faced with more demands on war account than we were able to foresee. It was further impossible to take credit for the usual increase of gas consumed. A careful estimate of the financial prospect then made showed, as the fundamental data of the actual situation, that of the credit balance of profit and loss which had been accumulated between 1906 and 1912, amounting to close upon £770,000, nearly £400,000 had been re-absorbed up to the end of last year. The estimated deficit, assuming no further increase of revenue, was for the year £450,000. This eventuality left the board no alternative. They were reluctantly driven to raise the price of gas to the bare sufficiency, coupled with the consequent sacrifices by the stockholders and co-partners to square the account. Knowing how very heavy would be the loss on the year from June 1915 to June 1916, they did not care to reduce the balance in hand by £100,000, which would have happened had no further addition been made to the price. I may point out in this connection that this balance forms an important part of the Company's working capital. Any further shrinkage of this cash reserve, therefore, makes a corresponding inroad upon the fund out of which we pay our way, which it is our habit to do, very promptly, thereby deriving the customary advantages of the prompt payer, which, I am sure, you would wish to preserve. This explanation, I trust, sufficiently clears up the situation as presented in March. Perhaps it may be a satisfaction to hear that there even-

tuated several circumstances pointing to some adjustment and relief of the arduous conditions prevailing at that time.

#### The Supply of Coal.

The period under review—and it will be the same with the current half-year—has not been saddled with the full burden of War prices for the reason that, as already stated, the deliveries of coal under pre-War contracts fell into arrear and have been gradually working off. We have now good, indeed abundant, stocks of coal at our several works. As the result of Government action in the two respects of regulating exports of coal and limiting the pit-head prices, the home supply of this necessary of our industry is rendered more abundant, and at the same time freights have fallen to one-half of what they were, while the threat of famine prices has been repressed. True, the authorised increase of 4s. per ton upon last year's pit-head prices will mean to us an increased working expense of about £350,000 a year, but it will bring the satisfaction of showing clearly where we are, so enabling our estimates to be framed with greater confidence. Residuals are improving, but, on the other hand, the sales of gas are down. On the whole, not forgetting that everything we buy is dear, and will probably become dearer, the circumstance of our having not only balanced our revenue account, but for the first time in three years added to the amount carried forward, indicates that our policy of caution has met the emergency for the time being. I entertain the hope that the present price of gas may not continue to be necessary for any long period.

#### The Accounts.

The accounts contain many satisfactory elements. The balance of unspent capital is larger, expenditure having been £53,300 and depreciation £97,000. In addition, we have withdrawn £12,000 from the depreciation fund (No. 10), and written off from capital the value of a gasholder abandoned some time ago when the Page Street Station was discontinued. Increased yield of gas from 1 ton of coal has saved over 40,000 tons, and a consequent expenditure of £39,000. The rental derived from meters and stoves on hire continues to grow, thus proving that gas is still rising in public favour. This entry in our account helps to justify the confidence I expressed at our last meeting in the essential permanence in the elements of our affairs which makes for stability and prosperity, and will, in due time, bear fruits of increase. The output of gas has been adversely affected by the continuation of the official lighting restrictions, which have taken the form of earlier closing of public-houses, abolition of outside lights, and a great reduction in the number of public lamps in lighting. These restrictions

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lead probably to earlier hours being kept generally. The output in consequence shows a decrease of 4.31 per cent., as compared with the quantity sold in the corresponding period of 1914. The gas rental shows an increase of £130,791, allowing for the decreased output. The revenue for residual products shows a decrease of £110,617. Except in the case of tar and liquor, where there is a small reduction in the value per gallon, the whole of this reduction is due to the smaller quantity of coal gas manufactured as a result of the decrease in business and of the substitution during the latter part of the winter of a greater quantity of oil gas for coal gas. Early in the year it became necessary to conserve by all means the coal obtainable, and with this aim the percentage of oil gas was raised from about 25 per cent. to 40 per cent., with the result that much less coke was produced as, in the process of manufacturing gas from oil, not only is no coke produced, but a large quantity is actually consumed. This substitution of oil gas for coal gas will be found to colour the whole of the Company's accounts during the half-year under review. On the debit side of the account you will see there has been a decrease of £75,186 in the cost of coal and freight, notwithstanding the fact that there has been an increase in the price of both coal and carriage. This is due to the smaller quantity of coal carbonised. As might be expected, owing to the large increase in the quantity of oil gas manufactured, the cost of oil shows an increase of £20,825. Dealing now with the Company's working during the half-year under review, there has been a decrease in manufactory wages of £8,300, due partly to the improved make of gas per ton of coal and partly to the substitution of carburetted water gas for coal gas.

#### Co-partnership Bonus Reduced.

There is a decrease of £9,700 under co-partnership, the bonus, owing to the rise in the price of gas, being at the rate of  $3\frac{1}{2}$  per cent., instead of 5 per cent. Of this  $3\frac{1}{2}$  per cent. it is gratifying to know that the co-partners have voluntarily set aside  $1\frac{1}{2}$  per cent. towards the War distress fund, which has been instituted by the employees for helping the relations of men who may unfortunately fall during the War or assisting in cases where men are incapacitated for further work. This sum amounts to £11,520, and is administered by a committee of the employees of the Company. Distribution of gas shows a net reduction in cost of £9,664. Under the heading of law and parliamentary there has been a decrease of £2,977, as the Company have incurred practically no expenditure on parliamentary work during the half-year. Bad debts show an increase of £2,037. Last year was the lowest on record since 1905. We have not been able to live up to this high level, chiefly owing to the number of consumers who are suffering from the effects of the War. Workmen's compensation shows a decrease of £1,695, which is satisfactory from the point of view of both the employees and the Company. The directors are continuing the Company's allowances to their employees on active service who have dependants, and these allowances amount to £7,000 for the half-year. A total of 2,200 men are now serving with his Majesty's Forces, and I regret to say that there have been a good many casualties, more especially in the regiment which the Company's men have so largely joined—viz., The Rangers, and which has distinguished itself greatly in France. I am sure it will be the wish of the shareholders present to convey their sincere sympathies to the relatives of those men who have fallen fighting so gallantly. There has been a decrease in cost of National Insurance for the half-year of £643. This small reduction is due to the fact that the contributions of those employees on active service are now paid by the Government. Among their investments the Company have a sum of £221,000 Consols standing to their credit at a book value of 75 per cent. In view of the depreciation they have suffered it was thought wise to write them down to  $66\frac{2}{3}$  per cent., the figure at which, on conditions, they can be converted into new War Loan. This writing down has cost some £18,000. With the assistance of the Company's bankers arrangements have been made to convert the net amount into War Loan, and the result will be a considerable increase in the yield of interest on this investment. While on this subject of the new War Loan I may say that the directors have taken steps to enable the Company's employees to obtain small allotments of the loan on an instalment system, and it is satisfactory to be able to state that a large and increasing number of workmen are availing themselves of the facilities offered them.

#### The Half-year's Profit.

The financial result of the half-year is that, after providing for fixed charges and setting aside £5,000 towards the redemption fund, there remains a profit balance of £395,050 13s. 11d. The amount brought forward from the previous half-year being £384,538 3s. 10d., there is a total available balance of £779,588 17s. 9d., out of which the directors recommend the payment of a dividend on the Ordinary stock at the rate of £4 4s. per cent. per annum, which will absorb £343,501 6s. 1d. That the Company's business is still going forward is proved by the fact that there has been an increase in the number of consumers during the last half-year of 1,679 and in the number of gas stoves sold and let on hire of

16,600. Since these notes were written we have heard of the loss of our good ship *Fulgens*, torpedoed by a German submarine off the Norfolk coast. Fortunately, all the members of the crew were saved, though one was seriously injured. This is a serious loss to us: the *Fulgens* was an admirable ship, and carried for us about 200,000 tons of coal annually. She was, of course, insured, as also her cargo. That the War is being conducted by the enemy on cowardly and contemptible lines all the world knows. In this case, although no warning was given and no effort made to help the crew, we have no more right to complain than very many others who have fared likewise. The manufacture of materials for high explosives is proceeding satisfactorily, and in increasing quantities at most of our stations. The board has also placed at the disposition of the Munitions Committee a number of workshops and tools for the manufacture of shells, and our mechanics are taking up the work with enthusiasm. Here again we find that men incapable themselves of bearing arms can yet serve the country well and aid our fighting men to bring the War to a victorious close. We are not only making shells and the charges for them, but we and companies like ours are maintaining an industry of vast importance to the nation, and which contributes in no small measure to the vast sum which the War demands. I have pleasure in moving: "That this meeting do agree with and confirm the report of the directors and the auditors' report and statement of the accounts of the Company as transmitted to the proprietors on the 29th ult.," but before putting the resolution to the meeting, I shall be happy to hear any remarks which proprietors may wish to make and to endeavour to answer any questions they may ask.

Mr. John Miles (Deputy-Governor) seconded the motion, which was carried unanimously.

The Governor then moved the following resolution:—  
"Resolved that it be recommended to the half-yearly ordinary general meeting of proprietors to be held on the 6th proximo: (1) That dividends as follows for the half-year ending June 30 last be declared, viz., on the 4% Consolidated Preference stock at the rate of £4 per cent. per annum; on the  $3\frac{1}{2}$ % Maximum stock at the rate of £3 10s. per cent. per annum, subject to deduction of income tax. (2) That out of the divisible profits for the said half-year remaining after the payment of the foregoing dividends the sum of £5,000 be set aside towards the redemption fund, in accordance with the provisions of the Company's Act of 1903. (3) That out of the balance of divisible profits, amounting to £779,588 17s. 9d., and applicable to dividend on the Ordinary stock, the sum of £343,530 6s. 1d. be set apart for the payment of dividend for the said half-year on the Ordinary stock of the Company, and that such sum be appropriated in payment to the proprietors of Ordinary stock of a dividend for the said half-year at the rate of £4 4s. per cent. per annum, subject to deduction of income tax, and in payment of forfeitures incurred amounting to £29."

The motion was seconded by Mr. John Miles and carried.

A hearty vote of thanks was accorded to the Governor, directors, and staff, and the meeting terminated.

#### FORUM RIVER (NIGERIA) TIN COMPANY, LIMITED.

THE third ordinary general meeting of this Company was held on August 6 at Winchester House, E.C.

Mr. James Gardiner, who presided in the absence, through indisposition, of Mr. Harry Cotterell (the Chairman), first dealt with the accounts. He stated that the whole of the balance of the preliminary expenses had been written off out of revenue. With regard to the stock of tin ore, the estimate which they had placed upon that not yet realised was, the directors were confident, a safe one. Upon the stock of ore the value of which they had to estimate at March 31, 1914, they made a profit of about £250 upon the estimated figures, and they believed they were equally safe in the figure at which they had valued the present stock. The cost of production at the mine was £48 19s. 7d. per ton, a reduction of nearly £5 per ton upon the preceding year's figures, while the "all in" cost showed a reduction of nearly £12 per ton. Dealing with the work of the past year, the delivery and installation of the first pipe-line, which was in course of transit at the date of the last general meeting, was expeditiously carried out, and it was working by the middle of August last. This pipe-line was fed by the main east ditch, which was three and a-half miles long. A second pipe-line, about 2,300 feet in length, had now arrived on the property, and was being installed. A jet elevator had been installed, and a tin dressing-house, equipped with six tin dressers and two streaming boxes, had been added during the year. The construction of a road to Jos has been commenced, as the Government's proposal for the construction of a main trunk road to feed the railway to Bukuru was abandoned on the outbreak of war. On the all-important question of labour they had no difficulty whatever up to August last. The construction of the Company's camp was thoroughly and systematically carried out, and it was in high favour with the natives, but upon the outbreak of war they left the property in a body, some having been commandeered for Government service, while the remainder fled, either to look after their own farms

or from fear of being commandeered by the Government. How serious a matter this was for the Company was sufficiently evidenced by the fact that monthly outputs published in the report for four months after the outbreak of war and the output was only 15 tons per month. Although labour had been gradually attracted back to the property, there had practically been since been some shortness, and at present there was no disguising the fact that they could do with considerably more labour than their Manager (Mr. Hooke) had yet been able to secure. It was a matter with which they were powerless to deal on this side, but they had every confidence that Mr. Hooke would handle the situation with ability, and would do all he could to attract labour back and to retain it. A certain amount of prospecting had been done, but the property was a large one, and there was a great deal of prospecting work yet to be undertaken. With due regard to the maintenance of output this would be continued during the current year, and if the results obtained from portions already prospected were maintained in the more extensive areas, they need have no fear as to the future profitable working of the Company's properties. He did not think the shareholders would expect him to say anything with regard to the future, as in mining matters it was always unwise to prophesy, but it was a pleasure to him to be able to state that every report they had received upon the properties, whether from their own engineers or from outsiders, went to confirm the fact that the original opinion they formed of their value was not over-estimated, and, given a good supply of labour and a fair market price for tin, they believed they would be able to come before the shareholders in successive years with reports equally as satisfactory as that now submitted. The Chairman expressed the board's appreciation of the loyalty and hard work of the staff in Nigeria, as well as of the Consulting Engineers, and particularly of the services of the General Manager, and he concluded by moving the adoption of the report and accounts.

Mr. W. S. Curtis seconded the motion, which was carried unanimously, and a dividend of 10 per cent. was declared.

GUEST, KEEN AND NETTLEFOLDS.—Final dividend on Ordinary shares at rate of 10 per cent. per annum, together with a bonus of 1s. per share, free of income tax.

MOUNT MORGAN.—Capital £1,000,000 in £1 shares.

Half-year ended	Ore Treated—			Fine Copper		Gold	
	By Smelter	By Concentrator	Total	Produced	Yield	Produced	Per Ton
Nov. 30, 1914*	179,939	31,274	211,213	4,593	2.17	543.9	2.52
May 31, 1915	154,737	57,974	212,711	4,482	2.10	543.9	2.52
4 wks. to June 27	22,500	12,500	35,000	784	2.15	11,450	3.27
4 wks. to July 25...	21,500	11,500	33,000	690	2.1	9,720	2.94

\* Old smelter shut down June 27. Concentrator started trial run June 29, 1914.

Dividends declared—1910-11, total, 4s. 1911-12, total, 4s. Account of 1912-13, total, 4s. Account 1913-14, total, 4s.; 1914-15, July, 1s.; Oct., nil; Feb., 1s.; June, 1s.

PLYMOUTH CONSOLIDATED.—Capital, £240,000, in £1 shares.

Year ended	Ore Milled Tons	Value—		Costs*		Profit—		Price of Share	
		£	Per Ton	£	Per Ton	£	Per end of Ton Period	Per end of Ton Period	Per end of Ton Period
Dec. 31 1914 (5 mos.) ...	44,773	40,625	1.2	36,406	13.7	1,219	4.7	—	—
1915.									
Mar. qr. ...	31,100	32,001	2.7	19,165	12.4	12,836	8.5	18	18
Apr. ...	10,550	11,394	2.14	6,555	12.5	4,939	9.5	1	1
May ...	11,600	12,313	2.12	7,244	12.6	5,069	8.8	1	1
June ...	11,600	11,271	20.5	6,768	12.3	4,503	8.2	1	1

\* Including development.  
Dividends—1915, June, 1/0.

It is being continually denied that the present abnormally high price of coal is largely attributable to extravagant freight rates, and the information given on the subject by the Chairman of the Gas Light and Coke Company at the meeting this week is therefore noteworthy. He said East Coast freight rates on coal ranged from 13s. 6d. to 15s. per ton for private boats and 12s. per ton for boats lent out by the Government. Considering these rates inflated, the Company during the winter bought certain steamships at a figure that could not be called cheap either in first cost or in running, and yet for the half-year the total cost of running these vessels varied from 4s. 5d. to 3s. 2d. per ton carried, including allowance for interest and depreciation.

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2 Bank Buildings, Princes Street, E.C.

JAMES MACKIE, Joint Manager.

**THE CANADIAN BANK OF COMMERCE.**

Sir EDMUND WALKER, C.V.O., LL.D., D.C.L., President.

ALEXANDER LAIRD, General Manager.

JOHN LAIRD, Assistant General Manager.

Paid-up Capital ... £3,082,192

Reserve Fund ... £2,773,972

Panama-Pacific International Exposition, San Francisco, Cal.

This Bank having its own branch at SAN FRANCISCO, CAL., is able to offer special facilities to visitors to the Panama-Pacific International Exposition. Branches at Portland, Seattle, Vancouver, Victoria, and other points on the Pacific Coast.

Drafts, Money Orders and Travellers' Letters of Credit issued, payable at any of these places.

London Office: 2 LOMBARD STREET.

H. V. F. JONES, Manager.

**IMPERIAL BANK OF CANADA.**

HEAD OFFICE—TORONTO.

CAPITAL AUTHORIZED ... \$10,000,000  
CAPITAL PAID UP ... \$7,000,000  
RESERVE FUND ... \$7,000,000

Branches in the Provinces of ONTARIO, QUEBEC, MANITOBA, SASKATCHEWAN, ALBERTA and BRITISH COLUMBIA.

SETTLERS and others going out to any of the Provinces named afforded exceptional Banking facilities.

Agents: ENGLAND—LLOYDS BANK LIMITED, 17 Cornhill, London, E.C., and Branches.

Agents: SCOTLAND—THE COMMERCIAL BANK OF SCOTLAND, LIMITED, and Branches.

DRAFTS issued upon and remittances cabled to any point in CANADA by the Agents of the Bank in England and Scotland, through whom inquiries regarding Canadian securities and business generally can be made and will be promptly attended to.

**CANADA.****THE BANK OF BRITISH NORTH AMERICA.**

Established 1836.

Incorporated by Royal Charter, 1840.

PAID-UP CAPITAL £1,000,000 RESERVE FUND £620,000.

Head Office: 5 GRAVESEND ROAD, ST. LONDON, E.C.

COURT OF DIRECTORS:

F. R. S. Balfour, E. Geoffrey Hoare,  
J. H. Brodie, F. Lubbock,  
J. H. Mayne Campbell, C. W. Tomkinson,  
E. A. Hoare, G. D. Whatman

Deposits received at rates which may be obtained on application.

Current Accounts opened.  
Coupons purchased.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

**THE EASTERN BANK, LIMITED.**

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T. (Chairman).

Sir JACOB E. SASSOON, Bart., EMILE FRANCOU, Esq.

J. O. GEORGES BOUILLAT, Esq., J. S. HASKELL, Esq.

G. BROMLEY-MARTIN, Esq., J. LEIGH WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

P. H. SUTTON, Manager.

**THE UNION BANK OF AUSTRALIA, Limited.**

ESTABLISHED 1837. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid-up Capital £2,000,000 } together £3,960,000

Reserve Fund £1,960,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserve .. £7,960,000

HEAD OFFICE: 71 CORNHILL, LONDON, E.C.

DRAFTS are granted on the Bank's branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

**BANK OF NEW SOUTH WALES.**

Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital ... £3,500,000

Reserve Fund ... 2,500,000

Reserve Liability of Proprietors ... 3,500,000

£9,500,000



The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

DAVID GEORGE, Manager.

**THE WESTERN AUSTRALIAN BANK.**

Established 1841.

Paid-up Capital ... £250,000 0 0

(25,000 Shares of £10 each)

Reserve Fund ... £680,000 0 0

Reserved Profits ... £19,389 0 0

Reserve Liability of Shareholders, £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all Banking and Exchange Business connected with Western Australia conducted through the London Agents.

The Bank of Adelaide, 11 Leadenhall Street, E.C.

**BANCO ESPAÑOL DE LA ISLA DE CUBA.**

ESTABLISHED 1856.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,740,000

Assets - \$39,354,000

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKVEREIN.

KLEINWORT, SONS & Co.

LLOYDS BANK LTD.

**THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.**

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. F. SHANBACKER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—R. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—

"FOURBANK," SAMUEL MONTAGU & CO

LONDON CITY AND MIDLAND BANK, LTD., LLOYDS BANK LTD.

**NATIONAL BANK OF INDIA LIMITED.**

Bankers to the Government in British East Africa and Zanzibar.

HEAD OFFICE: LONDON, E.C.

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya	} British East Africa
Bombay	Chittagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Mandalay	Nairobi	
Cawnpore	Aden	Nakuru	} East Africa
Lahore	Aden Point	Kisumu	
Amritsar	Colombo	Entebbe	} Uganda
Delhi	Kandy	Kampala	
Tuticorin		Jinja	

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

**THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.**

Registered in the Transvaal.

(With which are incorporated the Bank of Africa, Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South Africa in the Transvaal, Natal and Orange Free State. Bankers to the Imperial Government in South Africa. London Offices—Circus Place, London Wall, E.C., and 117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on terms which may be ascertained on application.

D. CUNNINGHAM, Manager

**THE LONDON AND RIVER PLATE BANK (Limited).**

Established 1862.

Authorised Capital ... £4,000,000

Paid-up Capital ... 1,800,000

Reserve Fund ... 2,000,000

BRANCHES.

ARGENTINE.—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Santa Fe (Buenos Aires), Calle B de Irigoyen (Buenos Aires).

URUGUAY.—Montevideo, Montevideo Agency (Calle Rio Negro), Paysandu (Agency), Salto (Agency).

BRASIL.—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency).

CHILE.—Valparaiso.

FRANCE.—Paris (16 Rue Halévy).

BELGIUM.—Antwerp (22 Place de Meir).

Agency in New York and Agents throughout the World.

Letters of Credit, Drafts and Cable Transfers issued.

Bills negotiated, advanced upon, or sent for collection.

7 Princes Street, E.C.

**RUSSIAN & ENGLISH BANK**

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000

Reserve Fund £126,000.

English Members of the Council of the Bank—

Lord Balfour of Burleigh, K.T., Rt. Honble. Austen

Chamberlain, M.P., Sir Ian H. Amory, Bart.

The Bank transacts every description of Banking Business; collects Cheques, Bills, Documentary Bills in all parts of the Russian Empire. Undertakes the Agency of Banks and the purchase and sale of Russian Stocks and Shares.

London: Boulton Bros. & Co., 39 Old Broad St., E.C

Agents: Lloyds Bank Limited and Branches.

Telegraphic Address: Britorussie, Petrograd.

# The Statist,

A Journal of Practical Finance and Trade.

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## BANCO DE CHILE.

London Agency  
94 GRACECHURCH STREET, E.C.  
Chilian Dollars.  
Paid-up Capital ... .. \$40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.  
The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

## BANCO DEL PERU Y

LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000  
Reserve Fund ... .. £P.300,000

### BRANCHES IN:

Piura,	Callao,	Mollendo,
Chiclayo,	Cerro de Pasco,	Arequipa,
Pacasmayo,	Chincha Alta,	Cuzco,
Trujillo,	Ica,	Iquitos,
Huaras,	Huancayo,	Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

## UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.

Paid-up Capital ... ..	\$5,000,000
Rest and Undivided Profits ...	\$3,500,000
Total Assets over ... ..	\$80,000,000

The Bank has over 300 Branches in Canada and Agents in the principal Cities in AMERICA

### London Committee:

J. Leigh Wood, Esq., C.M.G.;  
Hon. Sidney Peel; F. W. Ashe, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to  
LONDON OFFICES: 16 PRINCES STREET, E.C.  
26 HAYMARKET, S.W.

## NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... ..	£750,000
Subscribed and Paid-up Capital ...	£240,000

Head Office ... AMSTERDAM.  
London Agency... 2 GT. WINCHESTER ST., E.C.  
London Manager J. COST BUDDE.

All descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.

## HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... ..	\$15,000,000
RESERVE FUNDS.	
STERLING RESERVE, held in London at Exchange of 2s. per \$	
- £1,500,000 Sterling, invested in Consols and other Sterling Securities ... ..	\$15,000,000
SILVER RESERVE ... ..	18,000,000
	\$33,000,000
RESERVE LIABILITY OF PROPRIETORS ... ..	\$15,000,000

COURT OF DIRECTORS AND HEAD OFFICE IN HONGKONG.

### LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Cair Rathbone, Esq. J. R. M. Smith, Esq.  
Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, Managers  
H. D. C. JONES, in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

## THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410  
Petrograd. Moscow. Paris.  
And over 100 Branches in Russia.  
London Offices:  
24 28 LOMBARD STREET, E.C.  
Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.  
Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.  
Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.  
Current Accounts opened and deposits received on terms which may be ascertained on application.

## COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.  
Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

### SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.

### London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

## STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... ..	£5,194,100
PAID-UP CAPITAL ... ..	£1,548,525
RESERVE FUND ... ..	2,000,000
UNCALLED CAPITAL ... ..	4,645,575
	£8,194,100

### BOARD OF DIRECTORS—

W. R. Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I., K.C.M.G.	William Smart, Esq.
Robert E. Dickinson, Esq.	Right Hon. Lord Sydenham, G.C.S.I., G.C.M.G., G.C.I.E.
James Fairbairn Finlay, Esq., C.S.I.	Rt. Hon. Lord Welby, P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE, LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdam.  
New York Agency: 55 Wall Street.

OVER 220 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made. LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued. PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received. EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

## BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.  
City Office: 1 Old Broad St., E.C.  
LONDON { West-End Agency: 12 Waterloo Place, Regent St.  
Paid-up Capital, £6,240,000. Reserve, £2,378,800.  
Manager—E. Consolo.  
Sub-Managers { A. Rossi.  
R. B. Handley.  
G. Costa.

Branches in Italy:—Alessandria, Ancona, Fari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

### CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANÇAISE et ITALIENNE POUR L'AMÉRIQUE DU SUD, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and

SOCIETÀ COMMERCIALE D'ORIENTE, Milan and Tripoli.  
Agents and Correspondents in all parts of the world.

## CREDITO ITALIANO.

Capital fully paid and Reserve ... £3,460,000

Head Office: MILAN.

The Bank has Branches at Genoa, Rome, Turin, Naples, Florence, Catania, Bari, and numerous other important towns in Italy.

### LONDON BRANCH:

22 ABCHURCH LANE, E.C.

Managers { I. GEORGE MANZI, F.E.  
DAVID A. HORNER.

Transacts a general Foreign Banking Business, having Correspondents in all European Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.  
Telegrams: "Italocredi, Cable, London."  
Telephones: 7802, 7803 City.

## LONDON BANK OF AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital ... ..	£1,276,747 10 0
Paid-up Capital ... ..	669,587 10 0
Reserve Fund and Undivided Profits ... ..	328,317 13 0
Reserve Liability of Proprietors	607,160 0 0

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital ... ..	Yen 48,000,000
Capital Paid up ... ..	„ 30,000,000
Reserve Fund ... ..	„ 19,500,000

### HEAD OFFICE: YOKOHAMA.

Branches and Agencies at  
Antung-Hsien Kobe New York  
Bombay Liao Yang Osaka Peking  
Calcutta London Ryojun (Port  
Changchun Los Angeles Arthur  
Dairen (Dalny) Lyons San Francisco  
Hankow Fengtien Shanghai  
Harbin (Mukden) Tientsin  
Hong Kong Nagasaki Tientsin  
Honolulu Newchwang Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—  
7 Bishopsgate, E.C.

# BASS, RATCLIFF & GRETTON, LIMITED.

## REPORT OF THE DIRECTORS

To be Presented to the Ordinary Shareholders at the Twenty-Ninth Annual General Meeting, to be held at the Offices of the Company, Burton-on-Trent, on Monday, the 16th August, 1915, at 12.15 o'clock.

### DIRECTORS.

COL. JOHN GRETTON, M.P.,  
*Chairman.*  
COL. ROBERT F. RATCLIFF, M.P.

MAJOR H. F. GRETTON.  
P. W. RATCLIFF.  
GERARD A. CLAY.

JOHN LAMBRICK.  
FRANK R. GARRARD.  
CLAUDE N. BURT.

The Directors submit to the Shareholders the Balance Sheet of the 30th June, 1915, and Profit and Loss Account for the year ending on that date, showing a Profit, before charging Interest on Debenture Stock, of £337,588 18s. 11d., which, with £64,675 13s. 8d. brought forward from the previous year, makes a total of £402,264 12s. 7d. Of this amount £176,000 has been appropriated to the payment of Interest on Debenture Stock, Dividends on Preference Stock, and an Interim Dividend of 2 per cent. on the Ordinary Shares, leaving a balance of £226,264 12s. 7d. Out of this it is proposed to declare on the Ordinary Shares a further Dividend of 8 per cent. (£108,800), making 10 per cent. for the year, payable on the 23rd August, 1915, to place £50,000 to the Reserve Fund (which will then amount to £600,000), and to carry forward to the next account the balance of £67,464 12s. 7d.

The conditions of the past year have been abnormal, and many economies have been effected; as the War still continues, the Directors have adopted a cautious policy in drafting the present Balance Sheet.

The Directors report with deep regret the death of their colleague, Major ARTHUR J. CLAY, of 6th Reserve Battalion, North Staffordshire Regiment, which took place on 18th February last, whilst on service.

Mr. C. N. BURT was elected a Director of the Company at a Directors' Meeting held on 1st March, 1915; he retires and offers himself for re-election.

The other retiring Directors are Col. JOHN GRETTON, M.P., and Major H. F. GRETTON, who offer themselves for re-election.

The retiring Auditors, Messrs. COOPER BROTHERS AND Co., are eligible and offer themselves for re-election.

By order of the Board,

S. J. SMITH,

*Assistant Secretary.*

BURTON-ON-TRENT,

4th August, 1915.

## THE FINANCIAL POST OF CANADA,

*"The Canadian Newspaper for Investors,"*

is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

### THE INVESTORS' INFORMATION BUREAU

will give reliable and unbiassed advice by mail on any matter of investment interest free to subscribers.

Send 2 penny stamps for Specimen Copy.

GREAT BRITAIN and COLONIES 12s. 6d. per annum.

FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

BRITISH OFFICE—88 FLEET STREET, LONDON, E.C.

HEAD OFFICE—TORONTO, CANADA.

## UNION-

## CASTLE

## LINE.

South and  
East Africa

ROYAL MAIL  
ROUTE.

The Cape,  
Natal,  
Transvaal,  
Rhodesia,  
East African  
Ports,  
Mauritius,  
etc.

For sailings and other information  
apply to the Head Office, 3 Fenchurch  
Street, London. West-end Agency:  
Thos. Cook & Son, 125 Pall Mall, S.W.

## THE NATIONAL BANK OF SCOTLAND LIMITED

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.

### Head Office—EDINBURGH.

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

# CREDITO ITALIANO.

Capital fully paid and Reserve - - - £3,460,000.

Head Office—MILAN.

Branches: BARI, CATANIA, FLORENCE, NAPLES, GENOA, ROME, TURIN, LONDON, Arezzo, Asti, Cagliari, Catania, Cuneo, Mantova, Palermo, Parma, Pavia, Roma, Sassari, Torino, Trieste, Venezia, Verona, Padova, Bergamo, Brescia, Como, Cremona, Ferrara, Forlì, Genova, Imbria, Lodi, Mantova, Milano, Modena, Novara, Ortona, Palermo, Pistoia, Reggio Emilia, Spezia, Taranto, Torre Annunziata, Torre del Greco, Varese, Vercelli, Voghera.

## STATEMENT, 30th JUNE, 1915.

(Exchange, £1 per Lit. 25.)

ASSETS.		LIABILITIES.	
Cash	£3,089,608	Deposit-Saving Current Accounts	£14,952,270
Bills Receivable on Italy, England, and other	8,077,254	Acceptances on Account of Customers	1,131,654
Loans with Banks	2,020,920	Guarantees on Account of Customers	477,310
Current Accounts	2,760,491	Charges Out	477,310
Customers' Liability and Securities against			£17,484,088
Acceptances	9,22,854	Capital fully paid	£3,000,000
Customers' Liability and Securities against		Reserve Fund	3,460,000
Guarantees	1,131,654		£20,944,088
Loans against Collateral Securities	1,536,231	Clerks' Provident Fund	123,781
Investments and Participations	1,024,714		
Freehold Bank Premises	500,728	Surplus	£21,067,869
		Balance carried forward from 1914	£5,467
Securities belonging to Clerks' Provident	£21,064,400	Profit up to June 30th, 1915	114,935
Fund	123,781		£21,188,271
	£21,188,271		

Dividend paid for 1914, 6%, as in previous years.

## BOARD OF DIRECTORS.

Prof. GIUSEPPE COLOMBO, Milan, Chairman.  
 Senator, formerly Minister of the Treasury.  
 Baron ALBERTO TREVES DE BONFILI, Venice, Vice-Chairmen.  
 Senator, Venice.  
 GIACOMO CASTELBOLOGNESI, Rome, Secretary.  
 G. B. PIRELLI, Senator, Milan.  
 ETTORRE LEVI DELLA VIDA, Rome, Managing Director.  
 FEDERICO ETTORRE BALZAROTTI, Milan, Managing Director.  
 LUIGI AIROLDI, Milan.  
 RICCARDO BIANCHI, late General Manager of the Italian State Railways.  
 RENE BRUDON, Chairman of the Banque Française pour le Commerce et l'Industrie, Paris.  
 ALBERTO GONELLA, Turin.  
 Marquis GUERRIERI-GONZAGA, Mantova.

R. A. KOECHLIN-HOFFMANN, Chairman of the Banque Commerciale de Basle, Basle.  
 EMILIO MAKAINI, Member of Parliament, Rome.  
 LUIGI ORIANEO, Leghorn.  
 Marquis DOMENICO PALLAVICINO, Genoa.  
 EMANUELE PARODI, Genoa.  
 JULES KOSTAND, Director of the Comptoir National d'Escompte de Paris, Paris.  
 EMILE ULLMANN, Vice-Chairman of the Comptoir National d'Escompte de Paris, Paris.  
 H. VOGEL-FIERZ, Vice-Chairman of the Bank Leu & Co., Zurich.  
 ALBERTO VON WILLER, Milan.  
 EDOUARD WIENER, Director of the Credit Général Liégeois, Brussels.

## General Managers:

I. GEORGE MANZI-FÈ. DIEGO CONTINI. CARLO ORSI. ALBERTO LODOLO.

## LONDON BRANCH: 22 ABCHURCH LANE, E.C.

Transacts a general Foreign Banking Business and is specially prepared to grant facilities for the development of trade with Italy. Correspondent of the Royal Italian Treasury.

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Telephones: 7302-7303 CITY.

## CANADIAN PACIFIC RAILWAY COMPANY.

## CANADIAN PACIFIC RAILWAY COMPANY.

### DIVIDEND NOTICE.

At a Meeting of the Board of Directors of the Canadian Pacific Railway Company held on the following Dividends were declared:—  
 On the Preferred Stock, The first Dividend of the Half Year ending March 31st, 1915, at the rate of one and one-half per cent. on the face of the shares, to be paid on the 1st day of September, 1915, to the holders of the said shares, who are entitled to receive the same, at the office of the Company, at Montreal, Quebec, Canada, on the 1st day of September, 1915, at 10 o'clock a.m.  
 On the Common Stock, The first Dividend of the Half Year ending March 31st, 1915, at the rate of one and one-half per cent. on the face of the shares, to be paid on the 1st day of September, 1915, to the holders of the said shares, who are entitled to receive the same, at the office of the Company, at Montreal, Quebec, Canada, on the 1st day of September, 1915, at 10 o'clock a.m.

The Common Stock Transfer Books will be closed in Montreal, New York, and London at 1 p.m. on August 14th, 1915. The Stock Books will be closed in London at the same time.

Attest: W. R. BAKER, Secretary.  
 By Order of the Board.  
 WALTER E. BAKER, Secretary.  
 Montreal, August 9th, 1915.

### NOTICE TO SHAREHOLDERS.

THE THIRTY-FOURTH ANNUAL GENERAL MEETING of the Shareholders of the Canadian Pacific Railway Company, for the election of Directors, to take the place of the retiring Directors, and for the transaction of business generally, will be held on Wednesday, the Sixth day of October next, at the principal office of the Company, at Montreal, Quebec, Canada, at 10 o'clock noon.

The Common Stock Transfer Books will be closed in Montreal, New York, and London at 1 p.m. on Saturday, August 21st. The Preference Stock Books will be closed in London at the same time.

All books will be Reopened on Thursday, October 7th.

By Order of the Board.  
 W. R. BAKER, Secretary.  
 Montreal, August 9th, 1915.

## PROVINCE OF QUEBEC THREE PER CENT INSURED STOCK, 1937.

For the purpose of preparing the Interest Warrants due 1st October, 1915, the Balances will be Struck on the evening of the 1st September, 1915, after which date the Stock will be transferred ex-dividend.

For Bank of Montreal,  
 G. C. CASSELS, Manager.  
 47 Threadneedle Street, E.C.,  
 10th August, 1915.

## A. M. PEEBLES & SON, LTD.

NOTICE IS HEREBY GIVEN that the Ordinary General Meeting of the Shareholders of the A. M. Peebles & Son, Ltd., for the election of Directors, to take the place of the retiring Directors, and for the transaction of business generally, will be held on Friday, the 13th of August, 1915, at Twelve o'clock noon. The Transfer Books of the Ordinary Shares will be closed until the 1st August next.

By Order  
 B. E. CLARKE, Secretary.  
 151 Queen Victoria Street,  
 London, E.C.,  
 11th August, 1915.

## THE WALL PAPER MANUFACTURERS, LIMITED.

The Interest Warrants of this Company will be Struck on the 1st September, 1915, after which date the Stock will be transferred ex-dividend.

JOHN T. CHASNEY, Secretary.

125 High Holborn, W.C.

## BASS, RATCLIFF & GRETTON, LIMITED.

Notice that the Transfer Register of the Ordinary Shares will be Closed from the 16th to 25th August (inclusive) for the preparation of the Warrants.

## IN PRIZE.

By Order and for Account of The Marshal of the Admiralty, and in Execution of

Messrs. CHURCHILL AND SIM, Brokers to the Marshal, at the LONDON COMMERCIAL SALE ROOMS, On THURSDAY, August 26.

At Half past Ten, the following Lots will be Sold:—  
 10000 SALTED BRONS AYRES, HIGGS & CO. SALTED HORSE  
 DYSTER, NALDER & Co., Brokers,  
 10, Abchurch Lane, E.C.

## PRUDENTIAL ASSURANCE COMPANY, LIMITED.

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £90,000,000  
 CLAIMS PAID - £118,000,000

# THE NOBEL-DYNAMITE TRUST COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the above Company will be held at Hall No. 25, Winchester House, 50 Old Broad Street, in the City of London, on Wednesday, the 26th day of August, 1915, at One o'clock in the afternoon, for the purpose of considering and if thought fit passing the following Resolutions, with or without modification, with a view to the same being subsequently confirmed as Special Resolutions.

## RESOLUTIONS.

1. That it is desirable to wind up the Company, and accordingly that the Company be wound up voluntarily, and that HAROLD JOHN MITCHELL and MATTHEW BAIN DICKIE, both of 220, Winchester House, Old Broad Street, London, E.C., be and they are hereby appointed Liquidators for the purpose of such winding up.

2. That the draft Agreement submitted to this Meeting and expressed to be made between the Company and its Liquidators of the one part and The Norddeutsche Bank in Hamburg of the other part (which draft Agreement has for the purpose of identification been initialled by the Chairman of the Meeting) be and the same is hereby approved, and that the said Liquidators be and they are hereby authorised to enter into an Agreement with the said Norddeutsche Bank in Hamburg in the terms of the said draft, and to carry the same into effect with such modifications (if any) as they may think expedient.

3. That the draft Agreement also submitted to this Meeting and expressed to be made between the Company and its Liquidators of the one part and Nobel's Explosives Company Limited of the other part (which draft Agreement has also for the purpose of identification been initialled by the Chairman of the Meeting) be and the same is hereby approved, and that the said Liquidators be and they are hereby authorised pursuant to Section 192 of the Companies (Consolidation) Act, 1908, to enter into an Agreement with Nobel's Explosives Company Limited in the terms of the said draft, and to carry the same into effect with such modifications (if any) as they may think expedient.

4. That there be paid to the Directors of the Company by way of additional remuneration for their services as Directors the sum of £23,332 4s. 9d., the same to be divided amongst them as they may agree, or in default of agreement equally.

And NOTICE IS ALSO HEREBY GIVEN that a Second Extraordinary General Meeting of the Company will be held at Hall No. 25, Winchester House, 50 Old Broad Street, in the City of London, on Thursday, the 9th day of September, 1915, at One o'clock in the afternoon, for the purpose of receiving a Report of the Proceedings at the First Meeting, and if the above mentioned Resolutions shall have been duly passed, with or without amendment, at such Meeting, to consider the Resolutions so passed, and if approved to confirm the same as Special Resolutions.

Prints of the above-mentioned Agreements may be seen at the Offices of the Company on any day during business hours.

Holders of Share Warrants desirous of attending the Meetings will receive Certificates entitling them to do so upon depositing their Warrants seven days at least before the dates fixed for the Meetings at one of the places hereinafter mentioned, viz.:

The Registered Office of the Company, 220 Winchester House, 50 Old Broad Street, London, E.C.

Nobel's Explosives Company, Limited, Nobel House, 195 West George Street, Glasgow.

Union Bank of Scotland, Limited, London, Glasgow and Edinburgh.

London City and Midland Bank, Limited (Metropolitan Bank Branch), Bennett's Hill, Birmingham.

Belfast Banking Co., Limited, Belfast.

and such other places as the Board may determine.

The Share Warrants thus deposited can be withdrawn upon the surrender of the Deposit Certificates by the Shareholders to whom they were issued on and after the 25th day of August, 1915, and the 9th day of September, 1915, respectively.

Registered Members, and those Share Warrant Holders who have obtained Deposit Certificates, may be represented by proxy at the Meetings, and forms for the purpose (which alone will be valid) may be obtained at the before-mentioned places.

Prints of a circular explanatory of the Resolutions can also be obtained at the above-mentioned places.

By Order of the Board,

E. A. B. HODGETTS, *Joint Secretaries*  
H. J. MITCHELL,

220 Winchester House,  
Old Broad Street, London, E.C.,  
9th August, 1915.

NOTE.—Proxies must, in accordance with Clause 76 of the Company's Articles of Association, be deposited at the Registered Office of the Company, at No. 220 Winchester House, No. 50 Old Broad Street, London, E.C., at least two clear days before the time of holding the Meeting at which the proxy is to be used.

# GEDULD PROPRIETARY MINES, LIMITED.

(Registered under the Limited Liability Laws of the Transvaal.)

## DIVIDEND No. 2.

NOTICE IS HEREBY GIVEN that a Dividend of 5 per cent (1s. per Share) has been declared payable to Shareholders registered at the close of business on Wednesday, the 30th June, 1915, and to holders of Coupon No. 2 attached to Share Warrants to Bearer. Dividend Warrants will be despatched to Registered European Shareholders (other than those resident in enemy territory) from the London Transfer Office on or about 13th August. Dividend Warrants payable to Shareholders resident in France will be subject to a deduction of 2s. in the £ on account of French Transfer Duty and French Income Tax. Holders of Share Warrants to Bearer are informed that they will receive payment on and after Friday, the 13th August, 1915, of the Dividend of 1s. per Share, after surrender of Coupon No. 2 at the undermentioned places: Johannesburg, at the Offices of the Company, Silesia Buildings, Main Street; London, at the Offices of the Company, Pinner's Hall, Austin Friars, E.C.; Paris, at the Banque de Paris et des Pays Bas, 3 Rue d'Antin. Coupons and Dividend Warrants belonging to holders resident in the United Kingdom will be subject to a deduction for English Income Tax at the rate of 2s. 6d. in the £. All Coupons presented at the Banque de Paris et des Pays Bas, Paris, as well as any presented at the London or Johannesburg Offices for account of holders resident in France will be subject to a deduction of 2s. in the £ on account of French Transfer Duty and French Income Tax. Coupons presented at the London Office must be left four clear days for examination, and may be lodged any day on and after the 9th August, 1915, between the hours of Eleven and Three (Saturdays excepted).

Listing Forms may be had on application.

By Order,

H. ROGERS,

London Secretary.

London Transfer Office,  
Pinner's Hall, Austin Friars, E.C.,  
7th August, 1915.

# NATIONAL BANK OF EGYPT.

## NOTICE OF REMOVAL.

The National Bank of Egypt has transferred its London Office from 3 and 4 Lothbury, E.C., to 6 and 7 King William Street, London, E.C.

# ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).

Head Office: 38 Lombard Street, E.C.

Subscribed Capital	£1,078,875	0 0
Paid up Capital	539,337	10 0
Further Liability of Proprietors	539,337	10 0
Reserve Fund	350,000	0 0

LETTERS OF CREDIT AND DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER, BILLS NEGOTIATED or forwarded for COLLECTION, BANKING AND EXCHANGE business of every description transacted with Australia  
E. M. JANION, Manager.

# THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Authorised Capital—	
Subscribed	£1,500,000
Unissued	500,000
	£5,000,000

Capital Issued and Paid up	£2,250,000
Reserve Fund	1,400,000
Uncalled Liability of Shareholders	2,250,000
Total responsibility for Creditors	£5,900,000

Head Office: OLD BROAD STREET, LONDON, E.C.  
Paris Branch: 29 Boulevard des Capucines and 13 Rue de la Paix.

Hamburg Branch: 3 Adolphplatz.  
New York Agents: 60 Wall Street.

Branches and Correspondents in all the principal places of South America.

Cable Transfers, Drafts, and Letters of Credit issued. The Purchase and Sale of Bonds, the receipt of Dividends, the negotiation and collection of Bills of Exchange, Coupons, and Drawn Bearer, and other Banking Business undertaken with all parts of South America.

Current Accounts opened and Deposits received for fixed periods on terms which may be ascertained on application.

# NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE: LONDON.

AUTHORISED CAPITAL	£5,000,000
SUBSCRIBED CAPITAL	2,250,000
PAID-UP CAPITAL	750,000
RESERVE FUND	685,000
UNCALLED CAPITAL	1,500,000

Receives Deposits of £50 and upwards, for 1, 2 or 3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances granted, and Bills on New Zealand purchased or sent for collection.

H. TUDSHAWATER, Secretary and London Manager,  
17 Moorgate Street, London, E.C.

# THE STOCK EXCHANGE.

## NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than the known principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

EXECUTORS, TRUSTEES, SOLICITORS and OWNERS selling Works of Art, Family Jewels, Old Silver, Furniture, Pictures, Prints, Miniatures, China, Coins, Books, Old Lace, Furs, Musical Instruments, Guns, Trade Stocks and other valuables are informed that Messrs.

# KNIGHT, FRANK & RUTLEY'S

Sale Rooms, 20 HANOVER SQUARE, W.

are Open Daily to receive Goods intended for Public Sale.

Auctions on (owners') premises in all parts of the country are held as required.

# BANK OF NEW ZEALAND.

Incorporated 29th July, 1861.

(Bankers to the New Zealand Government.)  
LONDON OFFICE:—1 Queen Victoria St., London, E.C.

AUTHORISED CAPITAL	£5,500,000.
SUBSCRIBED CAPITAL:	
Four per Cent. Guaranteed Stock	£1,000,000
75,000 "A" Preference Shares of	500,000
£6 13s. 4d.	
150,000 Ordinary Shares £3 6s. 8d.	500,000
Paid up	500,000
Uncalled on Ordinary Shares, £3 6s. 8d.	500,000
per share	
Shares issued 1st April, 1914, when fully paid up	750,000
Reserve Fund and Undivided Profits	2,057,170
Negotiates and collects Bills of Exchange.	
GRANTS DRAFTS on its Offices in New Zealand, Australia, Fiji and Samoa.	
Remittances made by telegraphic transfer.	
ALEXANDER KAY, Manager.	

# LONDON AND BRAZILIAN BANK, LIMITED.

7 Tokenhouse Yard, E.C.

SUBSCRIBED CAPITAL, 125,000	
Shares of £20 each	£2,500,000
PAID-UP CAPITAL	1,250,000
RESERVE FUND	1,400,000

Branches in Brazil at Rio de Janeiro, Para, Ceara, Manaus, Pernambuco, Bahia, Santos, Sao Paulo, Curitiba, Rio Grande do Sul, Porto Alegre, River Plate, Buenos Ayres, Rosario, and Montevideo. United States, New York (Agency), France, Paris (5 Rue Scribe), Portugal, Lisbon and Oporto. Agents or Correspondents in all the principal cities of Brazil, Uruguay, Argentina, the United States and Europe.

Drafts, Letters of Credit, and Cable Transfers issued on Branches and Agents. Bills of Exchange negotiated or sent or collection, and every description of Banking business undertaken.

# THE ANGLO-EGYPTIAN BANK, LIMITED.

SUBSCRIBED CAPITAL ... £1,500,000.

PAID UP, £500,000. RESERVE FUND, £680,000.

BRANCHES: Alexandria, Cairo, Beni-Souef, Mansourah, Port Said, Tantah, Zagazig, Khartoum, Malta, Gibraltar, Paris.

BANKERS: The Bank of England. The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at 4½ per cent. per annum.

On current accounts, Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clement's Lane, Lombard Street, E.C.

# BANK of NEW SOUTH WALES.

Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital	£3,500,000
Reserve Fund	2,550,000
Reserve Liability of Proprietors	3,500,000
	£9,550,000



The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania, Malacca, and Ceylon. Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

DAVID GEORGE, Manager

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GUARANTEE AND ACCIDENT CO.

Head Office, - 61 Coleman Street, London, E.C.  
West End Office, 199 Piccadilly, W.  
Established 1865.

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The Company insures all TRUSTEES in BANKRUPTCY,  
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LANDLORD AND TENANTY OWNERS' INDEMNITIES  
WORKMEN'S COMPENSATION, FIRE, FLOODING, MOTOR  
CAR DRIVERS' INDEMNITY, CONTINGENCY, LEASE GLASS.  
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AT MINIMUM PREMIUMS

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Assurance Company Ltd.

CLAIMS PAID exceed ... .. £100,000.  
FUNDS exceed ... .. £240,000.

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VOLUME LXXXIV.

(APRIL-JUNE, 1915)

OF

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(FULLY INDEXED.)

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IMPORTANT NOTICE.

All Editorial communications should be

addressed to the Editor.

Business communications should be addressed  
to the Manager,

THE STATIST,  
51 Cannon Street, London, E.C.

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REFUGE ASSURANCE COMPANY Ltd.

Chief Office: OXFORD STREET, MANCHESTER.

Premium Income Exceeds - £3,500,000.  
Funds Exceed - - - - £11,000,000.  
Claims Paid Exceed - - - £20,000,000.

Teach your Children Thrift.

Standard Life Deferred Assurances for Children  
possess exceptionally attractive features. No  
medical examination is required; there is an en-  
tire absence of troublesome formalities; they are  
free from all restrictions as to residence abroad;  
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Assurance Co. Estd. 1825.

Head Office: EDINBURGH: 3 George Street.

London: 51 King William Street, E.C.,  
and 3 Pall Mall East, S.W. Dublin: 59 Dawson Street.

The Statist.

LONDON, SATURDAY, AUGUST 14, 1915.

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The Money Market.

Friday Evening, August 13, 1915.

Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	DEPOSIT RATES.—	
		BANKS, NOTICE.	DISCOUNT HOUSES—CALL. NOTICE.
July 22, 1915...	%	3	3½
April 8, "...	—	—	2½
Feb. 4, "...	—	—	1½
Oct. 9, 1914...	—	2	2½
Sept. 17, "...	—	2½	2½
Sept. 4, "...	—	3	3½
Aug. 27, "...	—	—	3½
Aug. 8, "...	5	3½	4½
Aug. 6, "...	4	—	—
Aug. 1, "...	10	5*	5½
July 31, "...	8	4	4½
July 30, "...	4	2½	2½
Jan. 29, "...	3	1½	1½

\* Head Office and Metropolitan Branches only.

Treasury Bills:—

3 MONTHS. 6 MONTHS. 9 MONTHS. 12 MONTHS.  
Price ...£98 17s. 3½d. £97 14s. 7½d. £96 12s. 5½d. £95 10s.  
Discount Rate 4½ % 4½ % 4½ % 4½ %

Discount Rates:—

60 DAYS. 3 MONTHS. 4 MONTHS. 6 MONTHS  
Bank Bills ... .. 4½-5 4½-5 5-5½ 5½-6  
Trade Bills ... .. 5½-6 5½ 5½ 5½-6

**MONEY.****FALL IN AMERICAN EXCHANGE.**

A FEATURE of the past week has been a sharp and sudden fall in the New York exchange upon London, which, after standing at over 4 76 for some time, has now declined to 4 73 for sight drafts, which represents a discount of about 2.7 per cent. This fall occurred notwithstanding an announcement by Messrs. J. P. Morgan and Co. that they had received in New York this week about £4,000,000 of gold and about £7,000,000 in securities on London account. The fall indicates that, as was expected, the trade balance against us is rapidly increasing now that autumn shipments are being made, and it is evident that as the weeks pass the trade balance in favour of the States will tend to grow greater. How much gold it will be necessary for this country to send in order to pay its bills cannot be ascertained, as it will be governed in a very large measure by the amount of European securities sold in New York. The sums to be provided are known to be large. These securities might be either American bonds or stocks or European bonds or stocks. The effect on the trade balance is the same whether money is borrowed from the United States by the sale of European securities or is recovered by Europe from the United States by sales of American securities. Probably the better method of settling the adverse balance would be the direct sale of European Government bonds or short obligations. But if this method is not adopted, then it is obvious it must, while it lasts, be settled by sales of American securities and by gold shipments.

The fall in exchange in itself is an inducement to investors to sell their securities, as in respect of all bonds or stocks they sell in New York they will be able to buy sovereigns at the rate of \$4.73, and will thus get a premium of about 2½ per cent. on the sale in comparison with the New York prices. Stock-brokers and others who advise clients with regard to their investments are not likely to be slow to point out to their clients the advantages accruing to them from the discount on the American exchange.

It is probable that the discount on the American exchange may not last long. For one thing it is evident that shipments of gold will impress the country more than anything else of the need for economy, and imports of goods of all kinds and descriptions may consequently be reduced as a result of this economy, while exports may be increased. Furthermore, the Government is expected, in the course of a few weeks, to bring in that portion of their Budget which will indicate how they intend to meet the Budget deficit of this year, and it is possible that the object lesson in the necessity for economy given to the country by the discount on the American exchange and by the export of securities and of gold may be enforced by the Chancellor of the Exchequer by means of taxation. It should, of course, be borne in mind that at the present time the country is not only spending all its usual income, but is also enjoying and spending the additional sums which the Government is raising by means of credit operations, and which do not entail corresponding economies on the part of investors. For all practical purposes the burden of taxation is no greater now than it was before the war. Indeed, having regard to the increased income of the individuals of the country the burden of taxation is less than it was at that time, especially taking into account that the higher income and super-tax will not be really felt until the March quarter of next year. If additional taxes are imposed the country will be under the necessity, first, of making the savings needed to meet the instalments on loans payable by investors, and, secondly, of making the savings needed to meet the demands of the tax collector. The combined effect of these two operations may be an appreciable increase of economy, diminished imports, increased exports,

and a much more favourable condition of the trade balance and of the foreign exchanges.

The appeal of the Government to the country to use currency notes instead of gold has already had a marked effect, and the stock of gold in the Bank of England has this week been increased by a sum of no less than £3,516,000, of which £779,000 came in from abroad and £2,737,000 from the country. Further, circulation of bank notes was curtailed by £1,023,000, so that the Bank's reserve showed the large increase of £4,539,000. As the British people are very anxious to do everything that the Government desires they should do we have no doubt whatever that the circulation of the currency notes will rapidly increase, and that there will be a substantial addition to the stock of gold in the Bank of England notwithstanding any export of gold.

In considering the gold question account has, of course, to be taken of the fact that the Bank is receiving practically the whole of the gold produced in South Africa, and that this new gold will materially assist in meeting the demands for gold from the United States. We should mention that the increase in the currency notes in circulation this week was slightly over £2,000,000, and that the total amount now outstanding reaches £48,783,000, which was rather less than it was on July 14. Since July 14 the stock of gold in the Bank of England has increased £12,600,000, while the reserve has expanded nearly £15,000,000.

In spite of the weakening tendency of the New York Exchange open market rates of discount early in the week were easier until to-day, when the heavy fall of 2½ points in the New York Exchange caused the discount market to become firmer. Still, on balance rates are somewhat easier than they were last week, the quotation for three months' bills now being 4½ to 4¾ per cent., for four months' 5 to 5½ per cent., and six months' 5½ to 5¾ per cent.

**BANK OF ENGLAND.**

THERE was an addition of no less than £4,539,000 to the reserve this week, bringing the total to £51,725,000. Of this amount £3,516,000 was due to an increase in the gold held and £1,023,000 to a contraction in the note circulation. The public deposits showed a decline of £4,454,000, reducing the aggregate to £142,604,000. The "other" securities showed a decline of only £7,129,000, and the Government securities decreased £959,000, while the "other" deposits increased £854,000. Apparently the repayment by the Government to the Bank of England was attended by a more than corresponding advance by the Bank of England to the market. The amount of the public deposits is now £142,604,000, although the debt of the Government to the Bank of England of £160,226,000 has been repaid. The proportion of reserve to liabilities has increased from 20.40 per cent. to 22.71 per cent. This is the highest proportion since March.

**MONEY IN NEW YORK.**

THE supply of money in New York is very large and day-to-day loans can be obtained at less than 2 per cent., while the rate for time money is quite moderate. The feature has been the fall in the exchange upon London to 4 73 for sight drafts, as against the normal 4 86½. The reserves of the New York banks last week declined £1,400,000, while their loans expanded nearly £5,000,000 and their deposits £3,000,000. Hence there was a decline of about £1,900,000 in the surplus reserve, bringing the amount down to £33,840,000.

Rates for prime commercial paper and for call loans in New York are as follows:—

Aug. 12, 1915 ...	Prime paper ... 3½-3¾%	Call money ... 1½%
Aug. 13, 1914 ...	" " ... Closed	" " ... Closed

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate	Par as usually quoted	Dis- count %
	Aug. 13		
London ... sight	\$4 73½	4 86½ dollars for £1	2½
" ... cables	\$4 74½		
" ... no days	\$4 73½		
Amsterdam ... sight	40½	40½ cents for 1 guilder	—
Berlin ... sight	81 ½	95 cents for 4 marks	13-9
Copenhagen ... sight	25-8½	26½ cents for 1 krona	3-3
Italy ... sight	6, 35½	5.18 francs for \$1	22-6
Paris ... sight	5 1½	5.18 francs for \$1	12-1
Petrograd ... sight	35½	51½ cents for 1 rouble	31-1
Mexico ... Mex. silver \$	35c. U.S.	50c. U.S. for 1 Mex. \$	2-10
Switzerland ... sight	6 35fr.	5.18½ francs for \$1	3-1
Vienna ... sight	16 12c.	20½ cents for 1 krona	23-3

POSITION IN INDIA.

EXCHANGE has remained steady, but there has been very little demand. The amount of Council bills applied for on Wednesday was almost nothing. Advices from India indicate a distinct improvement in the monsoon, and the somewhat excited buying of silver on Thursday for India seems to show that buyers there are merely waiting until the future in India is more assured. The addition to the stock of coined silver in the Currency Department this week was only 6 lacs, the total now reaching 4,015 lacs. There was the noteworthy addition of 151 lacs to the stock of gold in the Currency Department, bringing the aggregate to 933 lacs. Beyond this amount there are 615 lacs of gold in the Bank of England, so that the amount of gold held in the Currency Department is now 1,548 lacs.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent. (June 4, '15)

Of the 10 lacs of drafts offered by the India Council on Wednesday, Rs. 15,000 in bills on Madras at 1s. 3½d. were applied for and allotted.

From April 1 to August 11 inclusive the Council have granted remittances for Rs. 2,76,88,934, realising £1,843,560. Up to August 12 of last financial year the total Bills and Transfers sold was Rs. 5,19,88,332, realising £3,469,942. The amount to be offered for tender next Wednesday will again be 10 lacs.

SILVER

THE Silver market has been stronger this week than for a long time past, and the price has risen from 22½d. to 23½d., closing at 23d. The advance was due mainly to somewhat urgent orders from India which in one day caused a rise of ½d. in the price. Presumably this demand is due to more favourable reports concerning the monsoon and to the expectation that in the coming year India will enjoy a period of renewed and increased prosperity.

	Aug. 6	7	9	10	11	12	13
London ...	22 ½	22 ½	22 ½	22 ½	22 ½	23 ½	23
India ...	Rs. 58 ½	58 ½	58 ½	58 ½	58 ½	59	Hol.
Exchange	1 3½-½	1 3½-½	1 3½-½	1 3½-½	1 3½-½	1 3½-½	Hq.

Stock Exchange.

Settlement Days	TICKET DAY.	PAY DAY.	CONS. LS.
	Thurs., Aug. 26 Thurs., Sept. 9 Tues., Sept. 28	Fri., Aug. 27 Fri., Sept. 10 Wed., Sept. 29	Wed. Sept. 1 Fri., Oct. 1 —

THE strength of the world's stock exchanges and bourses this week, in spite of the fall of Warsaw, reflects the general view that the loss of the city by our Ally is not likely to have any appreciable influence upon the result of the War, and that it is merely an incident, and not an event. It is obvious, of course, that the inability of the Russian Army to retain the capital of Poland and to hold the connecting railways will prolong the War, but the success of the Russian forces in withdrawing successfully is rightly regarded as the more important matter. As long as the armies of the Allies remain in being and suffer from no disaster no doubt will be felt as to the result of the conflict. The really essential matter is that every day that passes enables the Allied armies to become stronger.

A minor incident that has affected the prices of American securities to-day has been a drop in the sterling exchange upon London to 4 73. This rate compares with a normal rate of 4 86½, and indicates a discount of not quite 2½ per cent. The fall in stocks to-day is due to the natural expectation that the premium on the dollar will cause a good many American stocks and bonds to be sold by European investors. How far this expectation will be realised cannot, of course, yet be determined. Doubtless a number of people will need to sell American securities in order to pay instalments on the new loan; but it is unlikely that the amount of stock offered will be greater than can be easily absorbed by American investors. In considering the ability of America to purchase European holdings of American securities we have to take into account several factors. The first is that savings in America are accumulating very rapidly; the second is that the outlet for them is limited; third, that with large crops in the current year the amount of money which America will have for investment will be greater than ever; and lastly, that whatever securities are sold by European investors will be to pay for goods exported by the United States, and that these exports will give the country power to purchase securities from abroad. We might, indeed, go even farther than this, and state that unless Europe were selling and America were buying securities it would not be able to sell all the produce that it has for sale, its trade would be slack and unprofitable, and it would have less money for investment.

Moreover, if any difficulties were to arise to prevent Europe from paying for produce by means of securities, either American or other, it would not be possible for America to sell its goods. We would specially direct the attention of American bankers and others to the report on the world's wheat crop we publish elsewhere. From this it will be seen that the world's crop in the current year is a very large one. On the other hand, the demand for foodstuffs by France, Italy, England, and Belgium this year will be unusually great unless they are compelled to curtail their demand through any difficulty in paying for their imports. Moreover, it is probable that the European countries will desire to replenish their stocks of food, so that, given power to pay for food imported, their demands will be quite unusual. How much food and other goods America will sell to the world in the current year is a matter over which the Americans themselves have complete control. If they buy securities freely from other countries, both American and other, it is obvious they will be able to dispose of their great crops, and all that they wish to sell. But if, on the other hand, they are indisposed to buy securities, then it is obvious that the European nations must confine their purchases of goods to the amounts that they can pay for by means of their exports or by gold shipments, and a very large amount of American produce may remain unsold at the end of the crop year. As American bankers and the American people are anxious to extend their export trade, and as their great savings permit them to buy their own securities or to invest in foreign loans to an unusual extent, we have no doubt that the European countries will be able to sell all the securities they wish to sell to the States, and to buy all the produce they desire to buy in return. From one point of view the fall in the New York exchange would seem to indicate a lower price of securities as reflecting the necessity for Europe to sell. But from the true point of view the fall in the exchange is an indication of America's power to buy securities on a greater scale than hitherto, in consequence of the greatness of her exports and her big favourable trade balance. Having regard to the cheapness and abundance of money in the United States, the good crops, and the great exports, we expect the American Railway market to remain strong.

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## Mining Topics.

THE only outstanding feature in the Kaffir market this week has been a sustained demand for Consolidated Langlaagte shares, the price of which has appreciated to £2 cum dividend. We dealt with the good position and favourable prospects of the concern in our last week's issue. Among miscellaneous descriptions Siamese Tin Syndicate shares have risen appreciably, possibly on anticipation of a good annual report to be issued shortly.

As bearing upon the spelter problem, it has been reported that the Swansea Vale Smelting Works have been acquired by a City group with a view to increasing the output capacity from 5,000 tons to 25,000 tons per annum. We understand that the Burma Corporation, contrary to statements in the daily Press, have no direct interest whatever in the deal. Mr. R. Tilden Smith, who is associated with the scheme, is a director of and has a large holding in the Burma Corporation; but that is the only connection, except, of course, that all mining and kindred concerns with zinc ore or concentrates to dispose of, welcome any addition to the smelting capacity of spelter-producing works in this country. A good deal of nonsense has recently been written in the ordinary daily Press on the subject of spelter and spelter production, but the limit

of ignorance was reached this week, when, in its Friday's issue, a well-known morning paper contained some very stupid and ill-informed remarks on the Burma and Zinc Corporations.

## INDIAN MINES.—I.

THE Indian mines are noted for their longevity. The five adjoining mines of the Kolar group have been producing gold for uninterrupted periods varying from 23 to 33 years, but they continue to turn out the metal in undiminished quantity. In the first seven months of 1915 the production has amounted to £28,480 more than in the corresponding period of 1914. With the exception of the Mysore all the properties contributed to this result, which is probably partly due to the fact that 1914 operations were interfered with by shortage of water for generating electricity. To date the five mines have together produced nearly £43,000,000 of gold, and the lowest workings of the deepest mine are now not far short of a mile vertical from surface. The wonderful record of the group will be seen from the following table:—

	1914	1915	Inc. or Dec.	Total Output to Date	Years of Production	Approx. Vertical Depth of Lowest Level
	£	£	£	£		Ft.
Balaghat ...	37,510	38,180	+ 670	1,657,390	25	3,000
Champion Reef ...	308,240	321,700	+ 13,460	11,603,536	23	4,500
Mysore ...	522,820	514,360	- 7,460	16,694,816	31	3,700
Nundydroog ...	175,900	186,350	+ 11,450	5,766,158	33	2,800
Oregeum ...	204,060	216,420	+ 12,360	7,223,040	27	5,000
Totals ...	1,248,530	1,277,010	+ 28,480	42,944,940	—	—

Despite their depths and the magnitude of the gold outputs of the past, it can with assurance be said that at any rate four of these mines have some years of profitable existence before them. A great deal, of course, depends upon the results attending development work in depth, and it is, therefore, satisfactory to find that in respect of three of the mines—and, curiously enough, two of them the deepest on the field—very good disclosures are being made in the lowest levels.

### BALAGHAT.

Early this year it was hoped that a good discovery reported in depth would prove to be of sufficient importance to alter the fortunes of the Balaghat, which is the poorest of the group and has not paid a dividend since 1907. Recent development returns, however, have not contained anything very exhilarating, and consequently it looks as if the annual report for this year will make no better showing than its predecessors.

### CHAMPION REEF.

For some time past the Champion Reef has been experiencing very encouraging development results in the bottom levels, and, though in the section of the property immediately to the south of Carmichael's shaft values have declined considerably, on the other hand, over a large extent of ground further south, in the region of Glen shaft, high values continue to be encountered in depth. The lowest levels are the 47th, 48th, and 49th, the vertical depth of the latter being about 4,500 feet. These three levels have been driven south from Carmichael's shaft, and the values for the first 500 feet or so in the drives compare with the showings in the levels above as follows. We give the values in sterling, taking the fine ounce of gold at 85s.:—

#### Drives South from Carmichael's Shaft.

	Length Driven	Width	Assay Value
	Feet	1 foot in.	£. d.
45th Level ...	736	1 3	127 10
46th Level ...	587	1 9	93 6
47th Level ...	520	1 9	73 0
48th Level ...	506	1 6	21 3
49th Level ...	303	1 0	27 7
			14 10
			Poor values
			Poor values

After passing through the 520 feet of poor values shown above, the 47th level south entered high values, and has continued to give good results for 465 feet driven to the date of the latest advice, to a point 985

feet south of Carmichael's shaft. This drive is nearing Glen's shaft and will be continued. The 48th and 49th levels, it will be noted, have not yet reached the point where the 47th level picked up high values. The 45th and 46th levels, after passing through the values shown above, have been continued in very good ore for a long distance in each case. This will be seen from the following comparison of the values met with in these two levels north and south of Glen's shaft, and in the 47th level north of Glen's shaft.

44th Level				45th Level				46th Level						
Length	Width	Value		Length	Width	Value		Length	Width	Value				
Ft.	In.	s.	d.	Ft.	In.	s.	d.	Ft.	In.	s.	d.			
44	2	0	117	0	64	1	0	77	0	65	1	2	222	0
61	1	3	115	0	12	1	3	37	10	48	1	9	111	0
45	3	3	159	0	9	2	6	39	6	72	1	9	104	0
58	3	0	197	0	47	5	0	41	2	79	5	6	108	0
78	3	9	73	0	45	2	6	157	0	79	5	0	18	0
47	1	6	128	0	207	2	0	192	0	19	3	0	155	0
62	4	3	54	6	38	1	9	110	3	29	2	9	209	0
67	3	3	8	9	53	2	0	220	0	18	3	0	155	0
					70	3	3	171	0	38	3	0	64	0
					59	3	0	188	0	81	1	9	174	3
					34	2	5	190	0	89	1	9	170	0
					55	3	6	180	0	56	3	0	121	0
					62	4	0	178	6	61	3	3	61	6
					59	2	0	85	6					
					50	3	9	59	0					

\* Work done in 1913-14.

Each of the levels is being continued by driving south towards the Mysore boundary, and at date of the last advice, to end of June, the 45th level had been driven 678 feet south of Glen's shaft, the 46th level 355 feet south, and the 47th level to within a few feet of Glen's shaft. The good development results have been reflected very distinctly in the milling returns, which have also benefited from the installation of a new tube mill and a new tailings and slimes treatment plant. The yield of gold per ton of ore crushed in the first ten months of the current financial year, which ends September 30 next, has been appreciably higher than in the year 1913-14, which in turn showed considerable improvement compared with 1912-13. This is shown below:—

Year ends	Ore Milled Tons	Total Gold Yield* £	Working Costs per Ton	Total Profit £	Price of Shares end of Period
1912-13	220,551	510,736	48/3	218,001	19/7
1913-14	216,934	527,500	48/7	225,489	19/7
1914-15.					
Dec. qr.	54,352	134,500	49/4	—	10/9
March. qr.	53,113	130,000	51/2	—	11/6
April	17,144	40,346	51/0	—	12/0
May	16,875	40,401	51/11	—	11/3
June	17,574	40,108	52/6	—	11/3
July	17,710	46,822	52/11	—	10/6
10 mos....	176,768	456,007	51/6	—	—

\* Includes yield from accumulated slimes.

† Before payment of royalty.

Dividends per cent.—Total distribution, account 1911-12, 50. Account 1912-13, April, 13½; July, 16½; December, 20. —Total, 50. 1913-14, March, 13½; July, 16½; December, 23½.—Total, 53½. Account 1914-15, March, 13½; July, 16½.

In view of the very good development disclosures and the marked improvement in the milling returns, it looks as if the dividend for the current year will again be increased. The dividends declared in March and July this year were at the same rates as a year ago, but it is the custom of the directors to increase or decrease the December declaration in accordance with the year's profits. The price of the 2s. 6d. shares is about 10s., so that, on the basis of last year's dividend of 53½ per cent., they afford a yield of about 13½ per cent., allowing for accrued dividend. It must not be forgotten, however, that the mine is a deep one, in fact, the second deepest of the Indian group.

## NUNDYDROOG.

In 1912-13 developments in the Nundydroog mine were so poor that it was decided to considerably reduce the amount of ore milled, with a view to avoiding undue depletion of the ore reserves. In the last twelve months, however, there has been a decided change in the character of the development disclosures, and in consequence the quantity of ore dealt with has again been raised, with the result that the mill returns for the current year show appreciable improvement. Furthermore, the gold yield per ton of ore treated has risen, and on the whole it looks as if the profits of the current year will be larger than earned

either in 1914 or 1913. The first dividend on account of 1915, declared in June, was 10 per cent., the same as a year previously. The Company usually announces a second interim dividend in October and a final distribution in March. The working results of recent years and the dividends paid on the issued capital of £283,000, in 10s. shares, are compared below:—

Year ends	Ore Milled Tons	Total Gold Yield* £	Working Costs per Ton	Total Working Profit £	Price of Shares end of Period
Dec. 31	100,562	330,937	65/9	27/10	190,778
1912	90,660	304,326	67/1	31/9	160,228
1913	89,350	307,564	67/5	32/3	158,541
1914					
1915.					
Mar. qr.	22,800	78,508†	68/10	—	—
Apr.	7,600	26,588†	69/11	—	—
May	7,800	26,618†	68/3	—	—
June	7,800	27,332†	70/1	—	—
July	8,000	27,064	68/3	—	—
7 mos.	54,000	187,552†	69/0	—	—

\* Before deduction of royalty (£19,493 in 1914).

(a) Including slimes, &c.

† Estimated.

Dividends per cent.—Account 1912, total, 41½. 1913, total, 35. 1914, total, 35. 1915, June, 10.

As regards the development of the mine, very encouraging results have been encountered in the opening up of the lowest levels of the Central or Kennedy's shaft section of the property, and good values have also been met with in the Oriental section. For the distance of 660 feet so far driven north and south at the 3,350-foot level, Kennedy's shaft, the following values—highly satisfactory for the most part—have been encountered:—

### 3,350-Ft. Level (Kennedy's Shaft).

North Drive				South Drive			
Length	Width	Value		Length	Width	Value	
Feet	Inches	Oz.	Dwt.	Feet	Inches	Oz.	Dwt.
64	12	1	15.2	102	20	1	14.5
52	10	1	0.7	59	25	2	4.2
45½	13	2	0.5	49½	9	1	3.1
45½	21	2	2.3	46½	7		3.1
34	34	2	6.7	47	9		2.4
49	59	2	1.3	54	12		2.0
290	—	—	—	358*	—	—	—

\* Further 14 feet driven showed "1 dwt. out."

At the 3,500-foot level a cross-cut put out first intersected quartz 18 inches wide, value 55 dwt., and, later, 36 inches wide, value 42 dwt. Driving north and south on these two veins has so far disclosed the following values:—

### Drives at 3,500-Ft. Level (Kennedy's Shaft).

Length	Width	Value	Length	Width	Value
Feet	Inches	Dwt.	Feet	Inches	Dwt.
23	32	20	30	68	27½
			27	49	35

In the Oriental section good reef values and widths have been encountered in the 3,350-foot level, and also in a winze below this level. Thus in two very important sections of the property good development results are being obtained at the deepest points of attack.

**Burma Corporation.**—Recently it was advised that the 5th level cross-cut had penetrated the lode, showing a width of 70 feet and the following values:—

Assay Values—			
From	Width Feet	Silver Oz.	Lead %
5 feet to 30 feet	25	12.0	15.0
30	45	30.0	30.0
45	65	50.0	90.0
65	75	20.0	30.0
Total	70	—	—

This week it is announced that drives north and south have been commenced from the 5th level cross-

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cut at a point 43 feet in. For 15 feet driven north the values averaged 41 oz. silver, 44 per cent. lead, and 26 per cent. zinc. Similarly in the south drive the 15 feet driven showed for a width of 4½ feet an average value of 34 oz. silver, 43 per cent. lead, and 25 per cent. zinc.

## GOLD FIELDS RHODESIAN DEVELOPMENT.

AFTER some years of restriction of its operations in Rhodesia, the Consolidated Gold Fields of South Africa in February 1911 transferred its interests to the Gold Fields Rhodesian Development Company, Limited, which had a capital of £2,000,000 in £1 shares, of which 1,047,500 shares were passed over to four companies of the Consolidated Gold Fields group for properties acquired by the new Gold Fields Rhodesian Development undertaking, and 500,000 shares were subscribed at par for working capital, the balance of the total capital being reserved for future issue.

After the 1909-10 series of inflated promotions, evidences of inter-arrangements in transferring properties, manipulated markets, and mismanagement of several Rhodesian companies, there came a period of waning confidence in Rhodesian projects. The Gold Fields group consolidation in 1911 was followed by a temporary improvement in market feeling, assisted by a series of reported new discoveries and some more or less real favourable developments, including those at Shamva, Lonely Reef, Cam and Motor, Planet-Arcturus, &c. The extravagances of the old Rhodesian Exploration and Development group, however, had so shaken the faith of the public that after the constant losses they had experienced speculative outsiders came to the determination to restrict themselves to selling their securities or holding on to what shares they possessed. There was scarcely any sign of more new money being risked in the market. Consequent on this change of attitude, promoting companies had to finance their subsidiaries and nurse the shares they had hoped to dispose of to the public.

A way out of an ugly tangle was devised by the Gold Fields Rhodesian Development Company absorbing the Rhodesian Exploration and Development Company, and the capital was scaled down, in the main being based on the market prices of the shares. For each 100 old £1 shares of the Rhodesian Exploration Company there were given 112½ new shares, and for each former two shares of the Gold Fields Rhodesian Development there was given one £1 share in a new enlarged Company, making the total issued capital £2,513,878, in £1 shares. This capital has remained the same since the new Gold Fields Rhodesian Development Company was formed in January 1912.

It has to be noted that there was a considerable amount of writing down at the time of the fusion in 1912; but events since have been of such adverse character, only a few instances of success having occurred, that a further heavy loss has since been entailed; and the report of the Company received by shareholders this week does not reveal the true position as to the valuation of investments, the main asset of the Company.

The balance sheet of March 31, 1915, discloses that the depreciation on investments of a book cost of £3,047,875 amounted to £1,416,890, based, in respect of shares having a quotation, on the making-up prices of July 27, 1914. It is to be noted that present prices are still lower. Then, as to unquoted securities, these at March 31, 1913, were taken at a value estimated

by the directors at £1,063,445, and are now given a value of £424,802. A contrast of valuations and depreciations at March 31 in each of the last three years is set out below:—

Investments—	Year ended March 31—		
	1913 £	1914 £	1915 £
Valuation of quoted shares, &c. ...	1,214,596	1,222,971	1,205,183
Valuation of unquoted securities ...	1,063,445	436,976	424,802
Valuation of total in balance sheet ...	2,278,041*	1,658,947	1,630,985
Depreciation shown ...	508,296	1,402,994	1,416,890
Value retained in balance sheet as book cost 2,786,337		3,061,941	3,047,875

\* After writing off £70,000, March 31, 1913, depreciation from share premium account.

At March 31, 1913, a schedule of the Company's investments was given. No similar schedule was given a year later, but the report issued this week shows the holdings at March 31, 1915, as set out below. We append also the holdings as they were at March 31, 1913, together with making-up prices at July 27, 1914, and also the approximate prices of quoted shares at March 31, 1915, and prices at the time the report was issued, namely, August 7, 1915. The approximate total number of issued shares of the companies whose shares are held is also given:—

M.-U. Prices—				Name	Number of Shares, &c. Held at	Total Issued Share Capital
July	Mar.	Aug.	Price			
27.14	31.15	7.15		(£1 shares except where otherwise stated)	— Mar. 31 —	£
2/6	2/0	2/0		Antelope, 5s. shares ...	1,063,083	1,073,083
—	—	—		Asp ...	59,625	59,625
—	—	—		Bell ...	105,966	107,466
4.6	—	5.0		Chicago-Gaika ...	22,625	22,625
—	—	—		Chrome Co. (Ordinary) ...	7,500	—
—	—	—		“(6% Debentures) £20,000	—	—
16.0	16/0	15.0		Con. Goldf'ds of S.A. (2nd Pref.) ...	37,500	37,500
15/0	14/9	10/0		Eldorado Banket ...	117,198	116,034
15.0	11/0	7/0		Falcon Mines (Ord.) ...	76,230	87,198
—	—	—		“(Debs.) ...	197,186	199,517
13/9	13/0	13/0		Gaika G. M. ...	48,176	46,176
—	—	—		Golden Kopje ...	164,495	164,495
—	—	—		Kimberley (Mashonaland) ...	74,800	74,800
1½	1½	1½		Lonely Reef ...	10,633	10,638
—	—	—		Pinnars Hall ...	32,500	—
4	3½	4½		Planet-Arcturus ...	264,785	304,248
2.0	—	1½		Rhodesia Consol. (10s. shares) ...	295,076	303,552
8.1½	3/9	5/0		Rhodesia G.M. and Invest. ...	23,715	23,715
—	—	—		Rhodesia Mines Trust (10s.) ...	123,700	Wound up
1/9	—	1/0		Selakwe Columbia (5s. shares) ...	338,125	342,789
2½	1½	1½		Shamva Mines ...	240,473	278,422
—	—	—		Société Française de la Rhodesie (100 frs.) ...	54,825	—
—	—	—		Springs Mines ...	13,932	—
1½	—	—		Thistle Etna G. M. ...	—	52,266
2/0	1/3	10½d.		Transvaal & Rhodesia Estates (5s.) ...	120,000	2,860,031
7/9	5/9	4/9		Willoughby's Consolidated ...	46,400	46,400

At the time of the consolidation in 1912 as a balance-sheet item a “SHARE PREMIUM account” was set out, and was based as below:—

	£
Difference between valuation of net assets acquired and nominal value of shares issued in exchange therefor under the purchase agreements	971,743
Cash premiums on shares allotted under option ...	438
Less	£ 972,181
Preliminary expenses and costs of amalgamation ...	28,551
Expenditure on options abandoned ...	33,858
Amounts reserved against investments, mining properties, ventures and loans ...	285,000
	347,409
	624,742

The detail of the £347,409 deducted from the share premium account was as under:—

	£
Preliminary expenses and costs of amalgamation ...	28,551
Expenditure on options abandoned ...	33,858
Investments ...	70,000
Properties ...	135,000
Advances ...	80,000
	347,409

Having thus sketched out some of the earlier history of the Company and the policy as to leaving depreciation to be dealt with in the future, and not attempting to write off anything out of the net profits returned, it may be of interest to refer to the balance-sheet position at March 31, 1915, shillings and pence, as in previous tables, being omitted. This we set out below, and also the profit and loss account for each of the periods to March 31—the 1913 period being one of fourteen months, and 1914 and 1915 both of twelve months each.

## CAPITAL AND LIABILITIES.

	£	£
Capital Authorized—		
3,000,000 shares of £1 each	3,000,000	
Capital Issued—		
2,514,220 shares of £1 each, fully paid	2,514,220	
Share premium account	624,743	
Loans on security	482,500	
Included in the above is an amount of £422,000 borrowed to date from the Consolidated Gold Fields of South Africa, Limited, on account of £1,000,000 undertaken to be advanced by them.		
Sundry creditors	24,981	
Profit and loss account—Balance at credit	224,333	
Contingent Liabilities, £22,779.		

3,840,777

## PROPERTY AND ASSETS.

	£	£
Investment: at book cost	3,047,875	
Less to reduce same to market value official making up prices of July 27, 1914 excepting as to unquoted investments amounting to £424,802, which have been valued by the resident directors in Rhodesia)	1,416,890	
		1,630,985
Mining properties, farms and ventures		176,437
Mining plant and sundry assets		17,729
Real estate and buildings		4,370
Office furniture		1,696
Advances and loans		500,517
Loans to market		17,991
Sundry debtors		63,351
Cash at bankers and in hand		10,811
Total assets		2,423,887
Depreciation of investments as above		1,416,890
		3,840,777

## PROFIT AND LOSS ACCOUNT FOR THE PERIODS TO MARCH 31.

The Company's total income figures in the profit and loss account as one item:—

	1913 14 mos. £	1914 12 mos. £	1915 12 mos. £
Dividends, interest on loans, net profits realised by sale of investments and sundry receipts	98,307	130,678	79,110
Against this there are outlays as under:—			
Management fee at £10,000 per annum	11,667	10,000	10,000
Directors' fees, engineering, salaries, office and other expenses—less amount received from other companies, including transfer fees	18,596	16,433	15,681
Subscriptions and donations	445	218	313
Balance carried forward	67,199	104,027	53,106
	98,307	130,678	79,110

\* The aggregate of these three amounts is the "Balance at Credit" in the balance sheet.

The lumping in one item of the receipts and the non-disclosure of what revenue the Company gets from acting as agents for a number of subsidiary and other concerns are objectionable features.

The present market price of the Company's £1 shares is about 6s., representing in round figures £754,300. This contrasts with a position at March 31, 1914 and 1915, as under:—

	1914 £	1915 £
Valuation of investments	1,658,900	1,630,984
Properties, plant, &c. at, say	193,600	200,232
Advances and loans, say	218,000	500,517
Loans at short call to market	67,500	17,991
Debtors	55,700	63,351
Cash	40,700	10,811
Total	2,234,400	2,423,886
Liabilities*	327,400	477,481
Surplus	1,907,200	1,946,405

\* Excluding contingent liabilities, 1914, £83,400; 1915, £22,779.

Reference to the schedule of shareholdings set out above indicates that the Company is left with but few large holdings that appear to have prospects of coming into appreciation of value. It is true that some of the companies whose shares it holds have recently become new producers, these being the Shamva, Falcon, Antelope, Golden Kopje, and Bell Reef companies, but except as to the Shamva, and possibly the Antelope, the outlook of these companies presents little hopeful aspect. The Eldorado may be regarded as of dwindling value. The Gaika has recently shown good developments, but the Company's holding in Gaika is not large. The Planet-Arcturus group of mines has proved disappointing, and so also has the Bell Reef. The report of the latter Company discloses that it is indebted to the Gold Fields Rhodesian Development Company to the extent of £54,274, and from 34,202 tons crushed in the year to March 31, 1915, only

secured a profit of £6,179 in respect of its £181,338 of issued capital.

It is out of the question, in the circumstances of war—though war has had little further effect on a previously distrusted Rhodesian market—to now attempt to remodel the position by a reconstruction, but it is inevitable that a further drastic scaling down of capital will have to be effected as soon as conditions allow.

## HOLLINGER.

THE recent milling results of this Canadian gold mining Company, which has an issued capital of \$3,000,000 in \$5 shares, compare as follows. The dollar is taken at 4s.

		Expenses—						Price of Shares	
		Excluding		Develop-		Develop-		end of	
Year		Revenue	Per	ment	ment	Total	Profit	Per	Period
ends	Tons	£	Ton	Per	Ton	Per	£	Ton	
Dec. 31	Milled								
1913 ...	138,291	493,255	71/4	20/2	4/8	24 10	321,544	46/6	—
1914 ...	208,936	537,671	51.5	16/1	1/7*	17.8	352,920	33/9	—
1915.									
16 wks. to									
Apr. 22	90,305	190,759	42/2	13 9	1/11*	15/9	119,644	26 5	4 1/2
4 wks. to									
May 20	23,821	45,545	38 4	12/10	1/4*	14/2	28,613	24 2	5 1/2
June 17	24,192	44,658	37/0	13/9	2/3*	16/0	25,587	21/0	5 1/2

In addition a portion of development expenditure is carried to balance sheet.

Dividends—1913, 39; 1914, 39 per cent.

1915, 4 per cent. every 4 weeks.

It will be noted above that the grade of the ore has steadily fallen. The view that this is due to the reduction of working costs is confirmed by an official statement added to the latest mill return, which says: "The policy of developing low-grade ore is being continued, it being our purpose to develop all ore which will show a profit over working costs. Increased tonnage will compensate for the lower grade of ore treated. In regard to the quantity of ore milled, it should be noted that a large proportion of the Hollinger's plant is at present employed in treating ore of the adjoining Acme mine. In the latest period shown in the above table, besides the 24,192 tons of Hollinger ore milled 10,152 tons of Acme ore were dealt with. In this connection the *Canadian Mining Journal* of July 15, dealing with the operations of the Hollinger, says: "70 stamps are available for the treatment of ore, but the mine is now so much ahead of mill conditions that it is certain that within a fairly short period it will be necessary for the Hollinger to take over the 30 stamps now being used by the Acme. Whether the Acme will build a separate mill or will add an extension to the Hollinger mill to treat their ore is a question which has not yet been decided." The same journal mentions that experiments conducted with a view to using iron balls in the tube mills have received a check, owing to the fact that the wear and tear caused by the balls on the liners is at present too excessive. An order has been given for a set of steel liners to see if they will meet the difficulty.

**Consolidated Langlaagte.**—£950,000, in £1 shares. £195,000 5½% Debentures. 100 new stamps and 10 tubes. About £300 monthly sundry revenue included below.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt.	Per Ton	Expenses Amt.	Per Ton	Profit* Amt.	Per Ton	Price end of Period
1914	92½	578,100	2½	739,704	25/7	423,799	14/8	315,905	10/11	1½
1915.										
Mar. q. 100		155,900	3	241,042	25/9	119,405	14/0	91,637	11/9	1½
June q. 100		154,100	—	242,387	26/1	108,554	14/1	94,514	12/3	1½
July ...		51,600	—	68,414	26/6	36,737	14/6	31,677	12/10	1½

\* Includes slimes profit and sundry revenue.

Dividends—1914, June, 10; Dec., 10 per cent.

1915, June, 12½ per cent.

**Modder Deep.**—Capital £500,000, in £1 shares. Sixty-stamp mill—six tubes—started December 14, 1914. Capacity about 30,000 tons monthly.

Year ends	Tons	Sort-	Revenue	Expenses	Profit*	Price
Dec. 31	Stps.	Milled	Amt.	Amt.	Amt.	Per ton
1915.						
Mar. q. 60	86,050	8	125,769	29/3	79,191	18/5
June q. 60	97,000	—	167,246	34/5	80,819	16/7
June ½ yr. 60	183,050	—	293,015	32/0	160,010	17/6
July ...	34,500	—	63,808	37/0	28,934	16/9

Dividends—1915, June, 10 per cent.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 11, 1915.

## Issue Department.

Notes Issued.....	£83,225,940	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	64,775,940
	£83,225,940		£83,225,940

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities .....	£45,915,039
Reserve .....	3,503,490	Other Securities .....	148,135,666
Public Deposits.....	142,804,347	Notes .....	50,762,580
Other Deposits .....	85,075,819	Gold and Silver Coin .....	982,107
Seven-day and other Bills .....	38,816		
	£245,775,272		£245,775,272

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Both Depts.	Deposits Public Other	Securities Govt. Other	Reserve	Ratio Reserve to Liabilities.	Bank Rate	Three Months' Bills
1914.	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	54.4	11.0	47.3	26.9	40.03
1915.								
July 7	35.1	53.3	67.9	139.8	51.0	137.9	36.6	17.63
— 14	34.5	53.1	52.9	158.0	51.7	140.0	37.1	17.58
— 21	33.8	59.4	109.2	134.8	53.1	164.8	44.1	18.08
— 28	33.5	60.9	177.6	95.5	53.1	192.2	45.8	18.77
Aug. 4	33.6	82.2	147.1	84.2	46.9	155.3	47.2	20.40
— 11	32.5	85.7	142.6	85.1	45.9	148.1	51.7	22.71

\* July 30, '14 to 4%; July 31, 8%; Aug. 1, 10%; Aug. 8, 6%; Aug. 8, 6%.

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.					
Total to July 14 ..	127,400,157	78,101,686	49,298,471	28,500,000	57.8
Week to " 21 ..	2,148,872	5,061,079	46,386,264	28,500,000	61.4
" 28 ..	2,435,002	3,435,346	45,356,920	28,500,000	62.8
" Aug. 4 ..	1,676,331	1,676,331	46,729,640	28,500,000	61.0
" 11 ..	3,902,995	2,149,131	48,783,504	28,500,000	58.4

## II.—Balance Sheet, August 11, 1915.

Notes outstanding—	£	Advances—	£
One Pound .....	36,310,669	Scottish & Irish Banks of Issue .....	—
Ten Shilling .....	12,172,835	Other Bankers .....	1,204,000
Certificates outstanding ..	30,000	Trustee Savings Banks .....	441,000
Investments Reserve &c	308,163	Currency Note Redemption A/c—	
		Gold Coin and Bullion .....	28,500,000
		Government Securities .....	9,585,828
		Balance at Bank of England...	9,360,839
Total .....	49,091,667	Total .....	49,091,667

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Receipts.	Withdrawals.
1915.		
Aug. 5, Thursday ..	Nil.	200,000 bars.
" 6, Friday ..	Nil.	Nil.
" 7, Saturday ..	Nil.	Nil.
" 9, Monday ..	Nil.	Nil.
" 10, Tuesday ..	200,000 Misc. sovs.*	200,000 bars.
" 11, Wednesday ..	979,000 bars.	Nil.
Total for week ..	1,179,000	400,000
Balance ..	[779,000 In for week.]	
Aug. 12, Thursday ..	5,000 bars.	Nil.
" 13, Friday ..	Nil.	Nil.

\* Released.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£29.9	£29.5	£29.6	£35.9	£32.5
Public Deposits .....	9.9	16.5	9.3	7.9	142.6
Other Deposits .....	43.1	43.3	42.2	83.3	85.1
Government Securities .....	17.1	13.9	12.4	23.0	45.9
Other Securities .....	29.2	34.1	27.2	70.8	148.1
Reserve .....	24.8	29.8	29.9	15.5	51.7
Ratio to Liabilities .....	46.2%	49.82%	58.07%	17.4%	22.71%
Bullion (both Departments) ..	36.3	40.9	41.1	33.0	65.7
Money:—					
Bank of England Rate.....	2½%	3%	4½%	5%	5%
Bank of France Rate .....	3%	3%	4%	6%	6%
Rate 3 months' Bills London ..	2%	3½%	3½-4%	5½-6% n.	4½%
Exchanges					
Paris Cheque .....	25 17½	25 27	25 25½	—	27 58½
Hamburg 8 days .....	20 47½	20 47	20 45½	—	—
New York 60 days .....	4 84½	4 84-25	4 83-15	nom.	4 68½
Bombay Telegraphic Transfers	1/4½	1/4½	1/3½	—	1/3½
Prices:					
Consols 2½ % Cash .....	90½	75½	75½	69½	65
French Rente 3 % Money .....	99 75	92 45	88 45	—	68.50
Silver, London spot .....	-127½	-129	-127½	-127	-123
Wheat, <i>Gazette</i> average .....	31/11	39/2	34/1	34.9	55.4
Cotton, Mid. Upland .....	-5/86	-6/80	-6/41	-6/50	-6/46
Iron, Scotch pig .....	49.4½	67/6	63/0	57/3	72/1½

## ARGENTINA.—Gold in Caja de Conversion.

July 14, 1915 .....	Pesos 229,848,583
July 7, 1915 .....	229,639,036
Dec. 31, 1914 .....	221,703,321
Dec. 31, 1913 .....	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversão.

July 3 & 10, 1915 .....	£5,635,846
June 19 & 26 .....	5,972,149
Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	18,400,501
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

† Last Return before the War.

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circulation.	De-posits.
May 31, 1915 ...	£5,947	£320	£6,267	£5,322	£2,294	£11,588	£555
June 30, 1915 ...	6,950	318	6,268	5,872	2,187	11,944	710
July 31, 1915 ...	5,946	300	6,246	4,579	2,087	11,362	649
July 31, 1914† ...	—	—	4,352	6,187	758	8,693	47
July 31, 1913 ...	—	—	4,153	4,778	1,181	8,193	39

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circulation.	Public Deposits.	Private Deposits.
July 29, 1915 ...	£185,174	£14,721	£179,895	£11,199	£503,701	£8,844	£95,195
Aug. 5, 1915 ...	168,883	14,734	183,617	12,185	509,015	8,758	91,123
Aug. 12, 1915 ...	172,691	14,714	187,405	10,789	513,032	3,596	94,619
July 30, 1915† ...	185,854	25,013	190,867	97,788	287,327	15,302	37,903
Aug. 14, 1914 ...	136,032	25,065	161,097	57,267	18,413	12,410	25,984

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circulation.	Deposits.
July 31, '14† ...	£82,660	£13,741	£76,401	£2,248	£114,184	£145,471	£82,923
July 31, '15 ...	120,035	2,228	122,261	13,209	240,081	276,908	82,580
Aug. 7, '15 ...	120,135	2,280	122,415	8,891	238,818	272,875	82,280
Aug. 7, '14 ...	73,878	5,903	79,781	5,974	198,169	194,880	93,974
Aug. 7, '13 ...	58,864	14,178	71,040	2,004	49,977	93,852	29,245

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Advances.	Circulation.	Deposits.
Aug. 1, 1914† ...	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437
July 31, 1915 ...	31,121	192	31,313	5,700	8,444	41,768	2,982
Aug. 7, 1915 ...	31,243	162	31,405	5,318	7,925	42,465	2,902
Aug. 8, 1914 ...	13,499	53	13,552	18,005	11,879	38,427	2,470
Aug. 9, 1913 ...	12,274	677	12,951	5,990	6,777	25,385	241

ITALY.	Gold.	Cash-Silver.	Total.	Cash.*	Other Dis-counts.	Loans & Dis-counts.	Circulation.	Deposits.
July 31, '14† ...	—	—	—	£48,458	—	£25,017	£69,204	£8,887
June 30, '15 ...	£45,884	£4,787	£50,671	£4,581	—	£43,024	£115,001	£32,680
June 30, '15 ...	45,765	4,702	50,467	5,425	—	41,876	117,076	33,194
June 30, '14 ...	—	—	—	£48,283	—	£22,994	£73,320	£7,741
June 30, '13 ...	—	—	—	£49,838	—	£22,737	£65,029	£7,889

\* Including foreign gold bills, State notes, and small change.

N. YORK BANKS & TRUSTS	Own Vaults.	Reserve In Depositories.	Total.	Loans and Dis-counts.	Deposits.	Circulation.	Surplus Reserve.
July 24, '15 ...	£86,282	£32,492	£120,754	£512,266	£531,858	£7,580	£33,520
July 31, '15 ...	89,364	34,264	123,618	514,233	538,478	7,582	35,730
Aug. 7, '15 ...	88,900	33,314	122,214	519,048	539,452	7,498	33,540
Aug. 8, '14 ...	—	—	77,318	417,031	381,789	10,219	Def. £8,623
Aug. 9, '13 ...	—	—	85,903	383,559	355,663	9,344	5,287

NORWAY.	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Discounts & Loans.	Circulation.	Deposits.
July 7, 1915 ...	£3,598	£3,216	£637	£4,348	£8,115	£1,114
July 22, 1915 ...	3,603	3,128	637	4,234	8,325	1,270
July 31, 1915 ...	3,420	3,517	636	4,252	7,912	1,392
July 31, 1914† ...	2,960	1,678	493	4,868	6,752	793
July 31, 1913 ...	2,455	1,722	503	4,162	6,013	423

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circulation.	Total Deposits.
July 14, '15 ...	£167,883	£5,430	£173,313	£8,943	£277,321	£375,556	£134,274
July 21, '15 ...	167,267	5,403	172,670	7,328	284,343	379,871	136,290
July 29, '15 ...	168,888	5,337	172,255	8,223	300,428	383,177	138,980
July 21, '14† ...	174,509	7,383	181,892	6,589	78,081	163,411	109,911
July 29, '13 ...	161,662	7,795	169,457	6,525	81,066	145,974	113,763

SPAIN.	Gold.	Cash-Silver.	Total.	Loans & Dis-counts.	Spanish 4 %	Circulation.	Deposits, &c.
Aug. 1, '14† ...	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955
July 31, '15 ...	27,925	29,775	57,700	41,804	13,777	80,032	26,549
Aug. 7, '15 ...	28,157	29,493	57,650	41,164	13,777	80,957	26,951
Aug. 8, '14 ...	21,811	27,937	49,748	44,320	13,778	79,736	19,730
Aug. 9, '13 ...	18,449	29,667	48,116	40,008	13,778	75,930	17,020

SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Discounts & Loans.	Circulation.	Deposits.
July 17, '15 ...	£6,298	£4,721	£2,695	£8,212	£14,947	£5,873
July 24, '15 ...	6,299	4,491	2,865	7,453	14,575	5,184
July 31, '15 ...	6,300	4,907	2,782	7,369	15,342	4,922
Aug. 1, '14† ...	5,717	6,150	1,555	7,495	13,432	3,803
Aug. 2, '13 ...	5,702	3,613	1,284	7,603	11,692	2,802

SWITZER- LAND.	Gold.	Cash-Silver.	Total.	Discounts & Advances.	Circulation.	De-posits.
July 31, 1914† ...	£7,675	£238	£7,913	£10,391	£16,371	£3,128
July 31, 1915 ...	8,601	2,265	11,866	7,647	16,406	3,725
Aug. 7, 1915 ...	8,605	2,288	11,891	7,631	15,991	4,450
Aug. 7, 1914 ...	8,034	267	8,301	12,266	17,213	3,290
Aug. 7, 1913 ...	6,740	1,201	7,941	4,879	10,893	1,964

U.S. STATES								
FED. RES.								
BANKS.								
	Gold Coin	Cash.	Loans	Reserve	Circu	Total Gold	Gold Res.	
	and Certs.	Total.	and Discounts.	Deposits.	lation.	Re-	agust. Net	
						sources.	Liabilities.	
July 16, 1915...	\$52,237	\$57,536	\$7,528	\$59,523	\$2,848	\$73,578	85.3%	
July 23, 1915...	52,715	57,897	7,885	60,213	2,904	74,233	84.9%	
July 30, 1915...	53,238	57,657	8,145	61,237	2,993	75,410	84.8%	

## III.—PUBLIC INCOME AND EXPENDITURE.

[000's omitted.]

Period	Receipts		Expenditures			Treasury		Bills
	Revenue	Loans	Supply	Int. on	Debt	Balance	for or	
	£	£	£	£	£	£	£	£
1915.								
7 days to July 17	4,896	33,647	21,976	3,512	25,488	44,183	+ 8,159	249,497
7 " July 24	3,991	154,396	18,823	101,334	120,157	78,422	+ 34,239	244,707
7 " July 31	2,561	103,225	32,776	4,940	37,716	143,931	+ 65,509	245,884
7 " Aug. 7	1,903	62,183	26,100	74,143	100,243	105,876	- 38,055	236,322
130 days to Aug. 7, 1915	71,263	649,327	384,061	242,841	626,902	105,876	+ 22,425*	+ 159,172*
131 days to Aug. 8, 1914	56,874	69,099	62,503	13,701	76,204	3,350	- 7,103*	—

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

	Aug. 12, '15	Aug. 5, '15	July 29, '15	July 22, '15
LONDON ON—				
Holland .....	3 mos. 12 1/2	12 1/2	12 1/2	12 1/2
Italy .....	3 mos. 11 7/16	11 7/16	11 8/16	11 8/16
— Cable .....	30 07 1/2	29 70	30 27 1/2	29 62 1/2
Lisbon & Oporto .....	do. 35 1/2	35 1/2	36 1/2	36 1/2
New York .....	do. 4 7/8	4 7/8	4 7/8	4 7/8
— Cheques .....	4 7/8	4 7/8	4 7/8	4 7/8
Paris .....	3 mos. 27 90	27 30	27 40	27 25
— Cable .....	27 60	26 90	26 50	26 82 1/2
Petrograd .....	do. 13 1/2	14 1/2	14 1/2	14 1/2
Scandinavia .....	do. 18 30	18 35	18 25	18 55
Spain (Bank places) 3 mos. .....	—	4 1/2	4 1/2	4 1/2
— Cable .....	24 85	24 92 1/2	25 10	25 12 1/2
Switzerland .....	3 mos. —	25 80	25 97 1/2	25 55
— Cable .....	25 40	25 40	25 57 1/2	25 68

## Foreign Rates of Exchange on London, &amp;c.

	Aug. 13, '15	Aug. 6, '15	July 29, '15	July 23, '15
Alexandria .....	Sight 97 1/2	97 1/2	97 1/2	97 1/2
Amsterdam .....	Sight 114. 75 1/2	114. 75 1/2	114. 80 1/2	114. 80 1/2
Bombay .....	Transfers 1s. 3 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2
Buenos Ayres .....	90 days 48 1/2	48 1/2	48 1/2	48 1/2
Calcutta .....	Transfers 1s. 3 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2
Christiania .....	Sight 18kr. 30	18kr. 30	18kr. 25	18kr. 55
Copenhagen .....	Sight 18kr. 30	18kr. 30	18kr. 25	18kr. 55
Hong Kong .....	Transfers 1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2
Italy .....	Sight 30lr. 72 1/2	29lr. 72 1/2	30lr. 25c.	29lr. 70c.
Lisbon .....	Sight 35 1/2	35 1/2	36 1/2	36 1/2
Madrid .....	Sight 20r. 85	20r. 82 1/2	25p. 10	25p. 10
Montevideo .....	90 days 52 1/2	52 1/2	52 1/2	52 1/2
Montreal .....	Cables 84 7/8	84 7/8	84 80	84 80
New York .....	Sight 84 7/8	84 7/8	84 76 1/2	84 76 1/2
— 60 days .....	84 7/8	84 7/8	84 72	84 72
— on Paris .....	5.81 1/2	5.65 1/2	5.68 1/2	5.64 1/2
— on Berlin .....	81 1/2	81 1/2	81 1/2	81 1/2
— on Vienna .....	15.10c.	15.10c.	15.10c.	15.10c.
— on Amsterdam .....	14 1/2	14 1/2	14 1/2	14 1/2
— on Mexico .....	38c. U.S.	38c. U.S.	38c. U.S.	38c. U.S.
Paris .....	Cheques 26f. 87 1/2	26f. 90c.	27f. 05c.	26f. 50c.
Petrograd .....	Sight 138	147 1/2	145 1/2	143 1/2
Rio de Janeiro .....	90 days 124 1/2	124 1/2	131 1/2	13 1/2
Shanghai .....	Transfers 2s. 3 1/2	2s. 2 1/2	2s. 2 1/2	2s. 2 1/2
Stockholm .....	Sight 18kr. 30	18kr. 30	18kr. 25	18kr. 55
Switzerland .....	Sight 25f. 40c.	25f. 40c.	25f. 55c.	25f. 62 1/2c.
Valparaiso .....	90 days 81	81	8 1/2	8 1/2
Bar Gold, standard, per oz. .....	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Silver (.925) .....	23d.	22 1/2d.	22 1/2d.	22 1/2d.

\* Previous day's rates. † Foreign exchanges current in New York, according to cable advices from Irving National Bank of that city.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*
	1915.	£	£	£	£
BIRMINGHAM .....	Aug. 7	2,216,376	+ 959,197	52,683,725	+ 2,369,741
BRISTOL .....	" 7	680,000	+ 201,000	24,493,000	+ 878,000
DUBLIN .....	" 7	3,477,606	+ 813,300	117,472,100	+ 12,032,200
LEEDS .....	" 7	644,488	+ 291,683	20,347,029	+ 3,864,690
LIVERPOOL .....	" 7	3,624,469	+ 443,339	12,555,383	+ 2,693,333
MANCHESTER .....	" 7	5,486,182	+ 2,995,220	172,306,979	+ 20,705,979
NEWCASTLE .....	" 7	7,765,279	+ 2,637,368	211,180,973	+ 11,547,057
NOTTINGHAM .....	" 7	1,919,000	+ 1,099,000	45,510,305	+ 8,087,200
BRETFIELD .....	" 7	3,774,490	+ 42,489	11,096,940	+ 1,073,181
LONDON—	1915.				
TOWN .....	Aug. 11	219,589	+ 83,194	6,551,943	+ 2,496,288
METROPOLITAN .....	" 11	18,002	+ 1,794	584,942	+ 32,294
COUNTRY .....	" 11	36,251	+ 126	956,110	+ 89,278
TOTAL .....	" 11	273,843	+ 88,526	8,102,995	+ 2,767,718

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH" OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1915	1915	1915
£	£	£
June 25 45,083	39,054	36,764
July 14 54,805	44,030	59,808
July 29 38,882	63,446	52,168
1915 Agg. 570,242	753,672	379,928

\* Compared with a year ago.

## VI.—FREIGHTS.—According to Messrs. Farrar, Groves &amp; Co., quotations for representative steam freights compare as follows:—

HOMEWARDS.	1915.	1914.	1913.	HOMEWARDS—Cont.	1915.	1914.	1913.
Alex. to Lond. or Hull 20/0	—	—	—	U.S. Atl. Ports to U.K.	—	—	—
Aust. to U.K. or Cont.	—	31 0	Cont. (grain) .....	8/9	2/9	—	—
Azoff to L.H.A.R.	—	13 3	N.O. to L.H. (cotton) 155 0	—	17 6	—	—
Bombay to p.p. d.w. 51/3	—	d.w. 24 0	N.O. to U.K. Cont. (gr.) ..	—	17 6	—	—
Barmah o.c.	—	28 3	—	—	—	—	—
Calcutta to p.p. d.w. 87/8	—	d.w. 25/0	—	—	—	—	—
Danube to A.R.	—	12 0	—	—	—	—	—
Odesa to L.H.A.R.	—	12 3	—	—	—	—	—
River Pl. to U.K. Cont. 70/0	—	19 8	1915 .....	25 0	24 0	22 6	—
U.S. Atlantic Ports to L.H. (cotton) .....	—	43/9	1913 .....	12 6	13 7 1/2	8 8	19 0

## OUTWARDS.—Cardiff to

Bom. Col. Port River St. Vin.

bay. omb. Said. Plate. cent.

1914 .....

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

	AUG. 14.	1915.	1914.	1913.
<b>METALS, MINERALS, &amp;c.</b>				
Iron—Scotch pig warrants .....	72 1/2	59 3/4	63 0	63 0
— Middlebrook warrants .....	66 1/2	53 1	55 1 1/2	55 1 1/2
— Hematite warrants .....	95 0	61 0	72 6	72 6
— Staffordshire bars, London .....	£12	£8 5	£8 10	£8 10
— Common bars .....	£11 12 1/2	£8	£7 15	£7 15
— Stock, Middlebrook .....	141.810	87.783	191.544	191.544
Steel Rails .....	£9 2 1/2	£5 15	£8 12 1/2	£8 12 1/2
Copper—Standard .....	£67 2 1/2	£59 10	£70	£70
— Stock, Europe & Ind., July 31 .....	40.238	28.870	28.142	28.142
Tin—English ingots .....	£151	£144	£194	£194
— Straits .....	£151	£138 10	£188 15	£188 15
— Tinplates—Coke I.O. .....	18 1/8	13 0	13 0	13 0
Lead—Soft Foreign .....	£20 12 1/2	£23	£20 1 1/2	£20 1 1/2
Spelter—Ori. Foreign .....	£83	£30	£20 7 1/2	£20 7 1/2
Quicksilver—(75lb.) .....	£18	£8 15	£7 5	£7 5
Aluminium .....	£180	£93	£97	£97
Antimony—Regulus .....	£120	£125	£29 17 1/2	£29 17 1/2
Coal—Steam (best) Cardiff .....	nom.	nom.	20 9	20 9
— (best) Newcastle .....	22 0	15 6	15 6	15 6

## CHEMICALS, OILS, &amp;c.

Nitrate of Soda—Chemical .....	13 6	12 6	11 0	11 0
Soda—Crystals ex ship .....	£2 5	nom.	£2 3 1/2	£2 3 1/2
Cochineal—Tenerife Silver .....	2 1	1 10	2 0 1/2	2 0 1/2
Copra—Malay & Straits .....	£23 2 6	£24	£24 6	£31
Gambier—Good marks .....	31 8	18 10 1/2	17 3 1/2	17 3 1/2
Indigo—Bengal good to fine .....	14 1/8	15 0	3 1/2	2 7 1/2
Linseed Oil—Spot, barrels .....	£24 15	£28	£28 5	£28 15
Linseed—Calcutta, spot .....	54 3	52 0	49 8	49 8
Olive Oil—Spanish .....	£53	£54	£49	£49
Palm Oil—Lagos .....	£31	£31 10	£37 10	£37 10
Petroleum—American .....	— 9	— 7 1/2	— 8 1/2	— 8 1/2
Rape Oil—Refined English .....	£37	£39	£32	£32 10
Soya Oil .....	£22	£25	£28	£28
Tallow—Aust. mixed .....	34 9	28 6	33 6	33 6
Turpentine—Amer. Spirit .....	34 3	37 3	28 3	28 3
Rape Seed—Toria .....	51 9	51 8	51 0	51 0
Rubber—Para, spot .....	2 4 1/2	2 10 1/2	3 10 1/2	3 10 1/2
— Fine plantation .....	2 4 1/2	2 1 1/2	2 9 1/2	2 9 1/2
— World's Vissapalkin's Maytag .....	19.085	21.500	17.619	17.619
Shellac—T. N. Orange, fair .....	83 0	60 0	81 0	81 0

## TEXTILES.

Cotton—Middling Upland .....	— 5 46	— 6 50	— 6 41	— 6 41
— Egyptian good fair .....	— 7 23	— 8 55	— 9 05	— 9 05
— Pernambuco, fair .....	— 6 36	— 7 28	— 6 58	— 6 58
— Mid. Upl. New York .....	9 45c.	11 00c.	11 90c.	11 90c.
— Stock, Liverpool, Aug. 5 .....	1,413.670	874.410	702.150	702.150
Flax—Petrograd, Yarpol .....	£57	nom.	£32 10	£32 10
Hemp—N. Zealand .....	£32 10	nom.	£32	£32
— Manila, fair .....	£38	nom.	£31 10	£31 10
Jute—First Marks, spot .....	£23	£35 10	£31 12 1/2	£31 12 1/2
— Red S.O. .....	£21	£31 10	£29 5	£29 5
Silk—Blue Elephant .....	8 9	11 6	10 9	10 9
Wool—Pt. Philip unwashed av. lb. .....	1 0	1 1	1 0	1 0
— Lincoln Half Hogs .....	1 6 1/2	1 11 1/2	1 0 1/2	1 0 1/2
Hides—English Ox, 90lb. cover lb. .....	— 8 1/2	— 10 1/2	— 6 1/2	— 6 1/2
Leather—Dressing Hides .....	2 1/2	2 1/2	1 4	1 4

## VEG. FOOD, CORN, &amp;c.

Wheat—Visap, U.S. Aug. 9 bus. .....	7,450,000	34,907,000	42,487,000	42,487,000
— Red, price, N.Y. 60lb. bushel .....	127 1/2	98 1/2	95 1/2	95 1/2
— English Gatte, aver. 480lb. qr. .....	55 4	34 9	34 1	34 1
Flour—Lond. Whites ex Mill 280lb. .....	48 0	36 6	31 0	31 0
Barley—Eng. Gatte, aver. 400 lb. qr. .....	35 7	25 2	24 9	24 9
Oats—Eng. Gatte, aver. 312lb. qr. .....	31 5	19 1	19 0	19 0
Malze—N.Y. (new bushel) 56lb. .....	nom.	79 1/2	81 1/2	81 1/2
— Amer. mixed, Liverpool .....	8 9	8 0	4 1 1/2	4 1 1/2
— La Plata .....	33 9	32 0	23 7 1/2	23 7 1/2
Potatoes—Kents .....	75 0	80 0	70 0	70 0
Rice—Imports since Jan. 1 .....	28.531	10.858	8.189	8.189
— Deliveries do. .....	18.588	7.900	10.521	10.521
— Stock .....	16.917	7.653	5.033	5.033
— Price, Baseline .....	17 0	6 10 1/2	7 1 1/2	7 1 1/2
Tapioea—Pearl, medium .....	17 6	21 0	17 0	17 0
Hay—Best .....	105 0	115 0	95 0	95 0
Hops—English .....	£6	£6 10	£5 10	£5 10

## ANIMAL FOOD.

Beef—Argen chilled and qtrs. 8lb	6 1	3 6	4	3 2	3 8
— Scotch sides .....	6 10	4 6	4 8	4 10	5 2
— English .....	8 5	4 2	4 7	4 10	4 5
Mutton—Scotch .....	8 5	5 6	6 0	4 8	5
— English wethers .....	8 1	5 4	5 8	4 2	4 8
— New Zealand frozen .....	4 5	3 0	3 4	2 9	3 0
Pork—English .....	5 8	4 8	5 2	4 8	5 2
Bacon—Irish .....	38 0	101 0	80 0	77 0	88 0
— Danish .....	92 0	99 0	76 0	72 0	82 0
Hams—Amer. long cut .....	66 0	78 0	88 0	74 0	90 0
— short cut .....	64 0	66 0	80 0	73 0	84 0
Lard—Amer. pale .....	42 9	43 6	59 0	56 6	57 0
Butter—Danish .....	170 0	174 0	140 0	120 0	122 0
— Siberian .....	120 0	138 0	130 0	88 0	100 0
— French .....	120 0	148 0	130 0	90 0	106 0
— New Zealand .....	—	—	—	—	—
— Australian .....	—	—	120 0	136 0	94 0
Cheese—Canadian .....	72 0	74 0	70 0	74 0	63 0
— New Zealand .....	74 0	78 0	70 0	74 0	65 0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Bel. & O. Down	Aug. 9	80	—	£4,425	+	1 31	117,145	+ 10,554
Cork & Ban. & S.O.	Aug. 6	103	—	2,163	+	75 31	63,791	+ 3,161
Dublin & S.E.	Aug. 6	160	—	7,734	+	408 31	188,801	+ 3,279
Gt. Northern	Aug. 6	661	—	25,385	+	1,385 31	708,950	+ 23,500
Gt. S. & Western	Aug. 6	1,130	—	36,442	+	591 31	1,001,248	+ 89,207
Mid. Gt. West.	Aug. 6	638	—	17,447	+	5,050 31	390,415	+ 11,668

\* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1911.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross. Rupees.	+ or - Rupees.	Wks	Total. Rupees.	+ or - Rupees.
Assam Bengal July	3	862	+11	1,23,000	-11,041	14	17,95,079	+ 44,596
Bard Light ... July	17	116	—	17,000	+ 1,000	16	3,45,100	+ 1,31,900
Bengal & N.W. July	10	2,041	+13	3,64,320	- 579	15	57,40,478	+ 8,12,724
Bengal Doon July	10	163	—	28,134	- 1,737	14	3,70,162	- 38,688
Beng. Nagpur July	17	2,858	+ 7	7,95,000	+1,62,000	16	1,24,12,000	+ 1,86,000
Bomb. Baroda Aug.	7	2,858	+32	8,19,000	+1,18,000	19	2,19,98,000	+ 7,15,000
Burma ..... July	3	1,342	—	3,31,676	- 94,473	14	64,90,712	- 9,72,053
East Indian ... Aug.	7	2,718	- 1	18,33,000	- 7,000	19	3,93,87,000	+ 5,92,000
Gt. Indian Pen. Aug.	7	2,981	+151	11,66,100	+1,09,000	19	2,81,97,769	+ 9,46,671
Madras & S.M. July	10	3,132	- 1	8,70,000	+ 6,419	15	1,36,71,489	- 1,407
Nizam's Guar. July	3	797	—	1,55,643	+ 19,736	14	26,72,528	+ 8,20,285
Roh & Kumaon July	10	660	+16	71,980	+ 6,742	15	11,51,934	+ 48,273
South Indian July	10	1,763	+10	5,66,416	- 18,768	15	82,86,645	+ 4,43,491
South Punjab M. of Mar.	923	—	—	6,89,429	-1,15,571	61	37,46,996	- 6,23,212

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Can. Northern Aug.	7	4,995	+295	\$259,900	—	94,500 5	1,466,000	+ 482,700
Can. Pacific Aug.	7	12,921	+694	1,787,000	—	449,000 5	9,234,000	+ 3,484,000
Gd. Trk. Pac. Aug.	7	916	—	£10,783	—	6,434 5	58,267	+ 31,584
Grand Trunk Aug.	7	4,008	—	161,820	—	24,638 31	4,704,515	+ 460,210
Grd. Trunk W. Aug.	7	338	—	30,719	—	123 31	875,815	+ 10,822
Det. Grd. Ha. Aug.	7	189	—	11,661	—	1,348 31	310,037	+ 12,305
Mashonaland M. of June	751	—	—	45,729	—	14,891 91	350,219	+ 217,626
Mid. W. Aust. M. of June	277	—	—	5,795	—	4,952 111	93,781	+ 43,983
New Cape Cent. July	17	205	—	1,312	—	240 29	52,968	+ 1,453
Rhodesia Rlys. M. of June	1,397	—	—	69,940	—	14,563 91	553,076	+ 215,625

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Alcoy & Gandia Aug.	7	33	—	Ps. 8,000	—	8,000 32	407,200	+ 25,750
Antofagasta Aug.	8	819	—	£ 29,260	—	2,010 32	715,705	+ 418,279
Arauco M. of June	7	84	—	£ 5,250	—	712 61	37,875	+ 10,874
Arg. N. East Aug.	7	752	+ 85	5,974	+	749 6	32,818	+ 3,818
Arg. Transand. July	24	111	—	£ 8,250	—	1,648 121	86,169	+ 25,639
Bolivar M. of June	7	110	—	£ 3,282,000	—	17,244 51	15,963,000	+ 804,584
Brazil M. of May	3,362	—	—	£ 1,560,000	—	238,338 51	8,650,000	+ 101,324
Paulista M. of May	721	—	—	£ 1,263,000	—	256,423 51	7,833,000	+ 261,381
Mogiana M. of May	1,131	—	—	£ 92,000	—	16,000 6	446,000	+ 29,000
B.A. & Pacific Aug.	7	3,535	+ 29	£ 77,000	—	1,000 6	430,908	+ 11,000
B.A. Gt. So. Aug.	8	3,792	+ 63	£ 45,000	—	7,000 6	238,000	+ 46,000
B.A. Western Aug.	8	1,867	+ 75	£ 101,000	—	17,000 6	67,000	+ 5,164
Cent. Argentine Aug.	7	3,307	+ 45	£ 10,648	—	767 6	18,392	+ 3,198
Cent. Uruguay Aug.	7	271	—	£ 3,331	—	791 6	9,890	+ 816
(E. Ext.) Aug.	7	311	—	£ 1,438	—	13 6	7,427	+ 1,159
(N. Ext.) Aug.	7	185	—	£ 1,332	—	114 6	47,412	+ 1,615
(W. Ext.) Aug.	7	211	—	£ 9,512	—	2,928 51	224,066	+ 52,213
Colomb. Nat. M. of May	86	—	—	£ 19,809	—	6,877 111	205,450	+ 7,135
Cor. Rys. & Nav. M. of May	651	—	—	£ 37,500	—	200 6	40,719	+ 3,223
Cor. Central Aug.	7	1,188	—	£ 6,632	—	113 6	44,500	+ 4,100
Cuban Central Aug.	7	354	+ 9	£ 8,400	—	1,400 61	43,372	+ 21,499
Dorada Ext. M. of June	71	—	—	£ 8,600	—	500 6	47,800	+ 300
Egyptian Delta July	20	619	—	£ 4,142	—	1,961 15	1,703,548	+ 395,069
Entre Rios Aug.	7	730	—	£ 6,500	—	100 32	315,000	+ 103,800
Gt. S. of Spain July	24	104	—	£ 6,750	—	2,250 71	49,000	+ 19,500
Gt. W. Brazil Aug.	7	1,010	—	£ 28,802	—	6,694 32	894,367	+ 112,305
La Guadalupe M. of July	23	—	—	£ 3,381	—	1,494 32	179,664	+ 35,562
Leopoldina Aug.	7	1,808	+ 54	£ 3,436	—	204 32	121,393	+ 9,833
Manila North Aug.	7	315	+ 10	£ 10,632	—	580 121	113,751	+ 14,638
(South) Aug.	7	286	+ 91	£ 20,345	—	10,917 31	169,179	+ 248,017
Mid. Uruguay M. of June	319	—	—	£ 21,500	—	663 1	2,076,000	+ 636,000
Nitrate (2 wks.) July	31	366	—	£ 414,000	—	176,000 6	23,158	+ 1,342
N.W. Uruguay M. of July	113	—	—	£ 724,838	—	262,661 11	136,000	+ 20,500
Paraguay Cent. Aug.	7	255	—	£ 3,300	—	50 61	179,437	+ 5,040
Peruvian Corp. M. of July	1,059	—	—	£ 20,000	—	250 5	131,507	+ 20,357
Puerto Cabello M. of June	24	—	—	£ 44,043	—	5,254 5	18,163	+ 7,862
Salvador Aug.	7	100	—	£ 8,160	—	16,388 11	28,631	+ 4,896
San Paulo Aug.	1	153	—	£ 24,954	—	4,639 5	43,248	+ 42,578
Taitai M. of July	184	—	—	£ 1,938	—	132 121	—	—
U. of Havana Aug.	7	681	—	£ 5,274	—	928 8	—	—
Urg. Northern M. of June	73	—	—	£ 7,061	—	8,058 61	—	—
W. of Havana Aug.	7	147	—	—	—	—	—	—
Yafa & Hiva M. of June	112	—	—	—	—	—	—	—

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Anglo-Argentine Aug.	5	369	+21	£ 51,413	—	2,964 31	1,583,027	+ 140,203
Angleland (4 wks.) June	30	251	—	£ 19,139	—	116 52	267,248	+ 914
Brazil Traction M. of June	30	—	—	£ 6,591,940	—	403,040 61	37,684,110	+ 1,239,922
Brisbane El. Tric. M. of July	30	—	—	£ 31,150	—	1,470 71	209,650	+ 161,992
Bristol Aug.	6	31	—	£ 13,930	—	1,442 31	294,831	+ 22,995
British Columbia M. of June	242	—	—	£ 498,093	—	162,290 121	7,308,563	+ 1,482,724
Calcutta Aug.	7	351	—	£ 67,338	—	1,979 32	20,53,568	+ 99,155
Cape Electric M. of July	42	30	—	£ 16,405	—	451 121	202,615	+ 2,224
Cart. & Herr. M. of July	9	—	—	£ 2,157	—	73 71	12,805	+ 3,407
Cork Electric Aug.	5	91	—	£ 985	—	73 31	34,038	+ 81
Dublin United Aug.	6	64	—	£ 7,291	—	433 31	189,351	+ 5,768
Havana Electric July	18	—	—	£ 54,245	—	831 29	1,475,476	+ 82,652
Isle of Thanet Aug.	7	21	—	£ 1,119	—	739 46	16,414	+ 9,484
Keelgoorie M. of May	20	—	—	£ 3,269	—	244 51	13,472	+ 358
Larnarkshire Aug.	6	28	—	£ 2,071	—	327 31	767,109	+ 32,648
London O.R. Aug.	4	141	—	£ 49,922	—	3,723 18	58,109	+ 2,358
Madras Electric July	31	—	—	£ 30,490	—	679 31	405,411	+ 107,631
Manila Electric M. of June	—	—	—	£ 116,876	—	15,625 61	728,002	+ 8,248
Provincial Aug.	7	21	—	£ 3,235	—	57 44	93,784	+ 2,935
Rangoon Electric M. of July	25	—	—	£ 4,623	—	346 71	34,374	+ 30,554
U. of Montevideo M. of June	80	—	—	£ 24,268	—	3,783 81	226,892	+ 3,651
Yokohama Ry. Aug.	8	24	—	£ 2,355	—	698 32	50,556	+ 3,651

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,747 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (g) Mileage. (h) Compared with previous year. (i) Month. (j) Track miles. (k) Includes Detroit, Grand Haven and Milwaukee Railway. (l) No. of cars. (m) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
483 Cos. (000's omitted)	May	(e) \$244,893	+	\$1,325	\$71,958 + \$14,819
	11 mos. to May	(f) 2,688,666	+	155,995	482,714 + 10,443
Alabama Gt. Southern	May	412,000	-	1,000	108,000 + 68,000
	11 mos. to May	4,334,000	-	610,000	1,016,000 + 82,000
Ala. New Or. Tex. & Pac.:					
Ala. & Vicksburg	a June	125,000	-	22,000	12,000 - 10,000
	12 mos. to June	1,523,000	-	375,000	133,000 - 113,000
New Orleans & N.E.	a June	297,000	-	35,000	70,000 + 24,000
	12 mos. to June	3,564,000	-	568,000	574,000 + 66,000
Vicks. Shreve. & Pac.	a June	120,000	+	4,000	8,000 - 6,000
	12 mos. to June	1,417,000	+	424,000	72,000 - 228,000
Atchafalaya, Top. & S.F.	a June	9,952,000	+	680,000	2,950,000 + 378,000
	12 mos. to June	117,665,000	+	6,555,000	36,051,000 + 3,937,000
Atlantic Coast Line	a June	2,327,000	+	524,000	412,000 - 83,000
	12 mos. to June	21,536,000	+	6,295,000	7,042,000 - 2,016,000
Baltimore & Ohio	b June	8,663,000	+	702,000	3,203,000 + 1,719,000
	12 mos. to June	91,815,000	+	7,349,000	27,891,000 + 3,130,000
Canadian Northern	b June	1,201,300	+	454,000	335,300 - 128,000
	12 mos. to June	17,225,000	+	8,475,000	4,828,700 - 1,523,000
Canadian Pacific	b June	7,512,000	+	2,642,000	2,678,000 - 657,000
	12 mos. to June	98,865,000	+	30,950,000	33,575,000 - 8,851,000
Chesapeake & Ohio	b June	3,636,000	+	409,000	1,080,000 + 187,000
	12 mos. to June	30,463,000	+	2,001,000	11,793,000 + 811,000
Chicago & N. Western	a June	6,810,000	+	552,000	1,859,000 + 301,000
	12 mos. to June	83,142,000	+	4,155,000	22,252,000 + 490,000
Chic. Burl. & Quincy	b May	6,957,000	+	306,000	1,640,000 + 431,000
	11 mos. to May	83,864,000	+	2,238,000	28,499,000 + 205,000
Chicago Great Western	b May	1,088,000	+	10,000	208,000 + 15,000
	11 mos. to May	12,739,000	+	445,000	8,092,000 - 60,000
Chic. Mil. & St. Paul	a June	7,811,000	+	44,000	2,823,000 - 588,000
	12 mos. to June	91,435,000	+	2,178,000	24,717,000 - 1,900,000
Chic. Rock I. & Pacific	a May	6,337,000	+	362,000	804,000 - 348,000
	11 mos. to May	65,288,000	+	2,816,000	12,985,000 - 902,000
Chic. St. P. Min. & Omaha	b May	1,311,000	+	32,000	285,000 + 245,000
	11 mos. to May	16,731,000	+	315,000	4,662,000 - 314,000
Clev. Cin. Chic. & St. L.	a June	2,985,000	+	30,000	449,000 - 49,000
	6 mos. to June	17,043,000	+	459,000	2,810,000 - 2,367,000
Colorado & Southern	a May	1,000,000	+	75,000	169,000 - 45,000
	11 mos. to May	13,082,000	+	846,000	3,313,000 - 749,000
Cuba Railroad	b May	541,000	+	78,000	333,000 - 112,000
	11 mos. to May	4,749,000	+	17,000	2,470,000 - 176,000
Delaware & Hudson	b June	1,914,000	+	56,000	687,000 + 1,000
	6 mos. to June	10,782,000	+	33,000	3,531,000 - 493,000
Denver & Rio Grande	a May	1,734,000	+	45,000	593,000 - 83,000
	11 mos. to May	19,957,000	+	1,811,000	5,864,000 - 233,000
Erie Railroad	a June	5,438,000	+	125,000	1,545,000 - 27,000
	6 mos. to June	29,615,000	+	1,171,000	6,332,000 - 557,000
Grand Trunk Railway	a June	\$775,700	+	\$33,400	\$281,400 - \$26,000
	6 mos. to June	4,047,150	+	373,200	1,011,650 - 33,000
Grand Trunk Western	a June	129,000	+	4,600	28,700 - 21,900
	6 mos. to June	714,300	+	5,550	19,700 - 27,000
Great Northern	b June	\$5,194,000	+	\$878,000	\$1,686,000 - \$214,000
	12 mos. to June	67,134,000	+	9,689,000	29,373,000 - 1,358,000
Hocking Valley	b May	518,000	+	76,000	198,000 - 52,000
	11 mos. to May	5,665,000	+	876,000	1,816,000 - 246,000
Illinois Central	a June	4,881,000	+	400,000	481,000 - 382,000
	12 mos. to June	62,111,000	+	4,261,000	10,379,000 - 861,000
Kansas City Southern	a June	792,000	+	187,000	139,000 - 197,000
	12 mos. to June	10,035,000	+	935,000	2,983,000 - 509,000
Lehigh Valley	a June	3,635,000	+	190,000	3,680,000 - 284,000
	12 mos. to June	42,526,000	+	355,000	12,679,000 - 496,000
Louisville & Nashville	a May	4,163,000	+	376,000	829,000 - 227,000
	11 mos. to May	47,431,000	+	8,019,000	9,218,000 - 2,274,000
Michigan Central	a May	2,814,000	+	158,000	648,000 - 190,000
	5 mos. to May	13,439,000	+	74,000	2,307,000 - 408,000
Min. St. P. (Soo) System	a May	2,051,000	+	26,000	337,000 - 63,000
	11 mos. to May	25,707,000	+	1,357,000	7,599,000 - 104,000
Miss. Kansas & Texas	b June	2,379,000	+	44,000	358,000 - 199,000
	12 mos. to June	32,899,000	+	1,015,000	9,820,000 - 1,231,000
Missouri Pacific	a May	4,534,000	+	107,000	778,000 - 118,000
	11 mos. to May	53,654,000	+	1,625,000	11,962,000 - 1,627,000
New York Central	a June	13,907,000	+	675,000	4,854,000 - 1,079,000
	6 mos. to June	75,653,000	+	2,400,000	18,331,000 - 6,632,000
N.Y.N. Haven & Hart.	a May	5,755,000	+	117,000	1,738,000 - 478,000
	11 mos. to May	69,051,000	+	2,556,000	15,550,000 - 2,525,000
N.Y. Ontario & Western	a June	715,000	+	113,000	185,000 - 80,000
	12 mos. to June	8,927,000	+	325,000	2,141,000 - 40,000
Norfolk & Western	a June	4,330,000	+	586,000	1,559,000 - 424,000
	12 mos. to June	42,934,000	+	1,712,000	13,229,000 - 334,000
Northern Pacific	a June	5,336,000	+	474,000	2,104,000 - 202,000
	12 mos. to June	63,172,000	+	7,277,000	21,550,000 - 733,000
Pennsylvania System:					
H. of Pittsburgh	a June	21,501,000	+	425,000	5,801,000 - 684,000
	6 mos. to June	112,762,000	+	3,916,000	19,393,000 - 1,761,000
W. of Pittsburgh	a June	10,109,000	+	206,000	2,655,000 - 357,000
	6 mos. to June	62,017,000	+	1,937,000	8,810,000 - 941,000
Pitts. C.C. & St. Louis	a May	3,182,000	+	15,000	650,000 - 22,000
	5 mos. to May	15,111,000	+	718,000	2,395,000 - 162,000
Phila. & Reading Ry.	b May	4,082,000	+	141,000	1,300,000 - 46,000
	11 mos. to May	43,405,000	+	3,178,000	13,340,000 - 1,122,000
Phila. & R. Coal & Iron	b May	2,297,000	+	635,000	Dr. 109,000 - 210,000
	11 mos. to May	28,124,000	+	2,694,000	438,000 - 343,000
St. L. & San Francisco	a May	3,412,000	+	148,000	946,000 - 700,000
	11 mos. to May	39,560,000	+	1,944,000	11,219,000 - 1,744,000
Seaboard Air Line	a May	1,762,000	+	287,000	473,000 - 73,000
	11 mos. to May	19,652,000	+	3,815,000	4,890,000 - 1,616,000
Southern Pacific	a June	11,964,000	+	419,000	3,598,000 - 588,000
	12 mos. to June	129,866,000	+	8,655,000	35,659,000 - 2,005,000
Southern	a June	4,744,000	+	489,000	1,139,000 - 368,000
	12 mos. to June	62,200,000	+	8,551,000	13,400,000 - 2,911,000
Union Pacific	a June	7,327,000	+	37,000	2,826,000 - 288,000
	12 mos. to June	86,955,000	+	5,157,000	30,180,000 - 1,416,000
Wabash	b May	2,363,000	+	59,000	205,000 - 17,000
	11 mos. to May	26,762,000	+	1,083,000	6,692,000 - 880,000
Western Pacific	b May	503,000	+	45,000	125,000 - 69,000
	11 mos. to May	6,093,000	+	633,900	1,056,000 - 110,000



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# The Statist.

LONDON, SATURDAY, AUGUST 14, 1915.

## THE FALL OF WARSAW AND AFTER.

It would be folly as well as insincerity to pretend that the fall of Warsaw is not a very serious matter that for the time being cripples Russia. But while it would be stupid to pretend to think that the Allies have not suffered because the Russians have been driven out of Galicia and practically compelled to evacuate Russian Poland, and that the enemy has not gained the greatest success of the War so far, in spite of that, the withdrawal of the Russians has been conducted in an admirable spirit. The armies have not been broken. The men have not lost confidence either in themselves or in their leaders. On the contrary, if the information that reaches us from Russia can be depended upon, the army is as firmly resolved as before to fight out the War until not only is Poland reunited, but until Prussian militarism is got rid of for ever. Those who have lost heart at home and abroad are persons of little faith who do not understand wherein the power of great States exists, and who are alarmed because everything does not run smoothly in their own favour. The peoples who play a great part in the world always understand that victory does not invariably accompany their Colours. They know that reverses will occur, and they entertain no doubt that if their Government acts with common sense they must win in the long run. Remember, that Russia alone has a population considerably larger than the two central European empires put together. It has not as much developed wealth, it is true. And it was attacked before it had completed its reforms to make good the losses of the Manchurian War. But for all that, Russian is a country of immense strength. She moves slowly, just like ourselves, but she moves irresistibly in the end. We pointed out last week the spirit in which the Russian people and their representatives are meeting the present crisis. And we hold without the slightest doubt or hesitation that a people who show that manly confidence in themselves and their country will win. They have suffered a serious reverse which must, of course, prolong the War and add materially to its costliness. But the very seriousness of the defeat impresses upon them the need for putting forward every ounce of energy they possess, and if they do they will most certainly win. The faint-hearted forget that the great wars which were heralded by the French Revolution lasted for very nearly a quarter of a century. And because their expectations of victory have not been fulfilled in a year they are inclined to despair. Remember that when the great wars with France began in 1792 France was invaded by a combined Prussian and Austrian army, and that before very long every neighbour of France was in arms against her. Yet she threw back all her invaders, and she very nearly annexed the greater number of them.

Both Germans and Russians are telling us now

that we must not judge by what happened a century ago, and that particularly we must not judge by the disasters which followed Napoleon's occupation of Moscow. We are reminded of the construction of railways, of the advance of science, of the increase in the production of Russia. And we are told that not only is it much easier now to strike down Russia than it was a century ago, but that Moscow is not the capital and the centre of Russian life and enterprise—that the real heart of Russia is Petrograd, and that Petrograd is less than 300 miles from the Prussian frontier. It is all very pretty, and it sounds very serious. But it is pure stuff. The heart of Russia is neither in Petrograd nor in Moscow. The real heart of Russia is in the immense multitude—her peasants. Of course, if the Russian Government loses heart, throws up the sponge, and makes itself a kind of dependant upon Germany, there is no more to be said. But what reason is there to suppose that the Russian Government is so craven as that? Indeed, we would go farther and ask, What reason is there to suppose that the great body of the Russian people would submit to such ignominious humiliation? No serious losses have been inflicted upon our Ally. The Russian Army has had to retreat. But it has had to do so partly through its own mistakes, but still more through the mistakes of ourselves. We, losing confidence in the spirit of our people and the settled policy of the country, called out millions of men, thinking forsooth that the enrolment of millions would settle the matter. We thereby withdrew too great a proportion of our skilled men from the coal mines and the factories, with the result that we are able neither to supply our own Army nor the armies of our Allies with the munitions they require. If, instead of calling in militarists, we had followed out the policy which guided Lord Haldane, we should now be in a position to take a real offensive in France and Flanders. Whereas, we are obliged to look on helplessly while Russia has suffered those defeats. We suppose it is thought to be patriotism and good sense to make out that our Government is all wise—that, in fact, it has not blundered badly. If that be wisdom we do not care to practise it. We wish, on the contrary, that the whole people should look at the facts as they are and should make up their minds to remedy the blundering. We have resources in abundance, and men more than we require. We ought at the present time to be pushing an enterprising and an active offensive against the enemy in the West and so teaching the Germans that we are not so utterly impotent as they think us. Meantime, if we give up philandering with conscription, if we get back our skilled men to turn out abundance of munitions, and if we put taxation upon those who are well able to bear it, there is no danger seriously confronting us.

The British Empire alone contains very nearly 400 millions of souls, or not far short of a quarter of the whole population of the Earth. We have raised a considerable Army during the past twelve months; but it is nothing to what we can raise if we are compelled to do so. We have spent money in the most reckless and wasteful manner since the War began. But we can even waste, wicked as it is, and yet not break down. All we want is a little common sense and a little sober judgment to recognise, firstly, that while it is true that the real wealth and the real strength of every State, whatever it may be, consists of the men of that State; yet the men, when put in the field to fight other men, cannot do so effectually unless they are provided with every kind of munition that is requisite. The first of all the lessons we have to learn, then, is that it is not in the field that battles are won, though to the ordinary man it seems conclusive that it is. Battles really are won in the factories, the workshops, and the mines. If we had given a hundredth part of the consideration that Germany has to the preparation to be made for so serious

a war, Warsaw would not have had to be evacuated, and our gallant troops would not be sitting helpless in the trenches in Flanders while their Allies were suffering reverses. There is nothing desperate in the situation. There is nothing even seriously dangerous if we act as sane and brave men would act in the situation. We have got to provide our troops with a superiority of the most effective munitions. And we have got, if we can, to supply our Allies, likewise, with the same. If we do that we need not be afraid of the Central European Powers. Two other measures ought to have been taken long ago. Our diplomatists thought it beneath them to make it worth the while of the Balkan States to assist in opening the Dardanelles. Is it altogether too late to remedy the mistake? Once more, is it too late to come to an arrangement with the United States respecting cotton, and generally to put ourselves right with neutrals in regard to blockade? There are two sides to every question—a British side and a side not British. Our rulers ought to bear that in mind, and to pay reasonable consideration to arguments put forward from the neutrals' point of view.

### THE BALKAN QUESTION.

THE interview granted by M. Radoslavoff, the Bulgarian Premier, to a representative of the United Press throws much needed light upon the present condition of the Balkan question. It has been known for some time that the Governments of this country, France, Russia, and Italy had made representations to the several Balkan States with a view to bring about a friendly understanding between them, and so hasten the reopening of the Dardanelles. But the form which the representations took was not known; particularly, strict silence was kept as to the recommendations which the *Entente* Powers made. The Bulgarian Premier now informs us that Bulgaria is not disposed to side with the Central European Powers. But neither is she inclined to depart from her neutrality unless she is given absolute assurance that she will be restored everything taken from her by the Treaty of Bucharest which, it will be recollected, followed the second Balkan war. M. Radoslavoff states that there are three millions of Bulgarians outside of the little Kingdom. Of these not far short of three-quarters of a million reside within the Russian and the Roumanian territories, leaving in round figures somewhat over two and a quarter millions in Serbian and Greek territories as they are now drawn. Practically he demands that Serbia and Greece restore to Bulgaria what she has lost. We have no intention of examining these figures. It will be understood without being definitely stated that both Serbia and Greece deny the accuracy of the Bulgarian enumeration. But the interest of the British people is to see justice done between all the parties and not to take sides. Bulgaria, it is to be recollected, will be when the War is over the smallest of the Balkan States, and therefore her intense anxiety to ensure as far as she can the reunion of her co-nationals is most natural. On the other hand, we must not forget that Serbia has been fighting Austria-Hungary very gallantly for more than twelve months now; that she has assurance from the *Entente* Powers that she will be rewarded for her exertions; and, consequently, that it is very difficult for those Powers to put pressure upon her to yield up what she believes to be hers. Again, it is not to be forgotten that the

great majority of the Greek people, with M. Venezelos at their head, desired to take sides with the *Entente* Powers against Turkey; that M. Venezelos was overruled by the King, and, in consequence, resigned office. Clearly, it would be a very ungrateful task to put pressure upon M. Venezelos to do what he is unwilling to do. There can be no question, then, that the matter as it stands is a difficult one to settle fairly to all parties. But it is earnestly to be hoped that the *Entente* Powers will find the means of solving the difficulty. Surely it ought to be possible to make up to both Serbia and Greece for the loss of any territory they may yield in Macedonia by concessions in other directions. The matter is important to all of us. But it is most important in particular to Russia, for to her it is of the very highest interest that the Dardanelles should be opened without a moment's delay. Furthermore, it is the part of statesmanship to pacify the Balkans. The Near Eastern question, as it used to be called, has been a nightmare to Europe for the better part of a century. If the Turks are to be driven from Constantinople and the whole map of Europe is to be recast it is of the greatest importance that the Balkans should settle down contented—that they should not merely enter into friendly relations, but that they should form, if not a Confederation, at least a close offensive and defensive alliance, and so end the interminable Near Eastern question once for all.

There is another point which must not be left out of consideration, and it is the desirability of reopening the Dardanelles as speedily as possible. We do not doubt in the least the ability of ourselves and France to solve the problem. But the Allies have been fighting before Constantinople for a very considerable time now, and yet they do not seem near a decisive success. Yet it is of the first importance that the Dardanelles should be opened immediately. For one thing, it is as clear as anything can be that our fatuous policy of raising immense numbers of men without taking precautions to provide them with everything necessary in the field has told most adversely not only upon ourselves, but upon Russia likewise. Our Government ought to have known that Russia has not as yet created a great manufacturing industry. She has made a very promising start in that direction, and no doubt by and by she will become a very wealthy and a very manufacturing country. But just now she needs assistance upon a vast scale to complete her preparations. She wanted munitions of war quite as much as we ourselves did. And she has been prevented from obtaining them by the fact that Turkey was hostile, and closed against her the Dardanelles. If, therefore, Russia is to be provided with all the munitions she requires, it is essential that the Dardanelles be opened so that she can obtain what she wants, not only from her Allies, but from the neutral Powers also. We do not in the least doubt Russia's ability to repel the German and Austrian armies. We have no hesitation in saying that Russia will repair her losses, collect a vast army, and ultimately overwhelm the invader. But if she is not provided with adequate supplies of munitions it may take her a long time to do that, and, meanwhile, she may be made to suffer very severely. A moment's delay, therefore, ought not to be allowed to occur until the Dardanelles is opened. The military need for this is, of course, the most urgent and the supreme one. Still, there are other points of view which show that it is extremely desirable that the

Dardanelles should be opened as quickly as may be. Russia, it is understood, has a good harvest again this year. Last year, it is notorious, she had an exceptionally fine harvest. Therefore, if the Dardanelles were opened now, or within a few weeks, she would be able to provide Western Europe with the surplus production of two great harvests. This alone is a very material consideration, and no time ought to be lost in securing the realisation of the plan. It is true, as we have already admitted, that the question before the *Entente* Powers as regards the Balkans is a ticklish one. But there is surely enough statesmanship amongst those Governments to find a means of satisfying Bulgaria without hurting the susceptibilities of either Serbia or Greece. We should be the last to recommend any policy which would show ingratitude towards Serbia or coldness towards Greece. But there are so many ways of compensating both those States for what they may give up to Bulgaria that we cannot believe the Governments of the *Entente* Powers are unable to solve the problem, which, though ticklish, is by no means really difficult. The trouble, so far as it exists, is one of national *amour-propre*. But that can be safeguarded and everything done if the Governments recognise their responsibility to their subjects and their Allies, and if they put aside the crochets and notions of dignity.

### COMPULSORY SERVICE.

THE sensational and militarist Press are still exerting themselves actively in favour of compulsion. They allege, indeed, that the new Register is only a preparation for compulsion, and that before long Parliament will find it necessary to adopt that policy. We cannot believe that the Government is so absolutely insensate as to agree to such a policy. Meantime, a morning contemporary has this week printed a letter from a gentleman who states that he is a member of a committee in Ireland for encouraging recruiting; that the committee consists of men of all classes and creeds; and that it has not succeeded with the farmers. He goes on to say that the farmers will not be convinced by anything short of compulsion, and he alleges that compulsion would not be resisted in Ireland if the late Lord Salisbury's favourite policy of a vigorous Government is resorted to. In other words, Ireland will not resist if sufficient force is applied to prevent her. Now it is quite clear that a committee upon which a gentleman holding these views takes a prominent place is entirely unfitted to argue with the farmers of the South and West of Ireland. Would any reader seriously suggest the sending of Sir E. Carson to persuade Irish Catholics to adopt a policy recommended by him? Nothing more fatuous, or, indeed, more criminal, can be imagined than the policy recommended by this recruiter. Are we seriously to be asked to enforce a policy in Ireland which would be strongly resented, to use no more violent phrase? Are our relations with the United States so exceedingly good that we are in pure lightness of heart to promote an alliance between the Irish in America and the Germans in America? Is it not sufficient that President Wilson has to keep in mind always how any measure taken by him will be regarded by the Germans? Are we really anxious to make his position still more difficult by driving the Irish into the arms of the Germans? If the Government would use its influence to stop this kind of mischievous agitation they would do some good, instead of hiding from the people almost everything that is going on at the Front, warning the Press not to refer to this matter or that matter, not even to hint that such a policy or such another policy is desirable.

### OUR FOREIGN TRADE.

#### INCREASING EXPORTS.

VERY slowly but surely the British export trade is expanding, and the country is paying for the greater amount of its imports by exports of goods. In August of last year the value of the exports of British goods was only £24,211,000, and even in November it was no greater than £24,601,000, and the amount has now, in July, risen to £34,721,000, so that at the present time the exports of the country are at the rate of about £410,000,000 a year. Moreover, the re-exports, which in the autumn of last year fell to a low figure, have appreciably recovered, and in July reached £9,408,000, or at the rate of about £110,000,000 a year. Unfortunately our imports are being maintained at a very high level. Nevertheless the published value of the imports in July, although enormously greater than at this time last year, is no larger than it was in March and rather less than in June. The amount in July was £75,548,000, or at the rate of £890,000,000 a year. After deducting the re-exports the net imports in July were £66,140,000, or at the rate of about £780,000,000 a year. Thus, on the basis of our imports and exports for July, our imports are exceeding our exports at the rate of about £370,000,000 a year. To this amount, however, must be added goods bought on Government account, which cannot now be at the rate of less than £130,000,000 a year, so that apparently the country is buying goods from abroad to the extent of about £500,000,000 a year in excess of the goods it is exporting in payment. Against this amount has to be placed the country's large income from interest, freights, insurance, &c. It has to be borne in mind that a part of the great increase in imports is due to the dearth of freights and insurance, and that practically the whole of the freights and insurance accrue to this country. It is unusually difficult to form an accurate opinion of how much money is coming to this country in respect of freights at the present time, but having regard to the very high freight rates now charged, it is evident that the income is exceptionally large, the homeward freight rates being from four to five times higher than last year in July, while outward freights are from two to three times higher. The number of ships employed in foreign trade has, however, been substantially reduced, and the vessels that are employed cannot perform as many voyages as usual owing to port and other difficulties. When every allowance is made it is obvious that the income of the country from shipping is at least twice as great as normal. On the other hand, the interest accruing to this country in respect of its foreign investments has been somewhat reduced by funding and by defaults. Furthermore, the income usually derived from the vast quantity of international business conducted on the Stock Exchange, from services rendered in connection with new issues of capital for other countries, and from other services performed in periods of peace and not required at the present time has shown substantial contraction. Nevertheless, having regard to the great increase in the country's income from freights, the foreign income derived from interest, freights, insurance, &c., is at least £350,000,000, and it may even reach £400,000,000. After allowing for this great income, the deficiency on foreign trade account was at the July rate reduced to between £100,000,000 and £150,000,000 per annum. Beyond this deficiency we have, however, to take into account the loans which the country is making to its Colonies, Allies, and foreign customers, which are at the rate of upwards of £200,000,000 a year. Including the obligation to provide this capital, the country's imports of goods and loans to foreign countries are exceeding its foreign income from exports, interest, freights, insurance, &c., to the extent of £300,000,000 to £350,000,000 per annum. It is obvious that if the

country continues to buy goods as freely as it is now doing the drain upon our gold resources will be a very heavy one unless we sell securities abroad of one kind or another. The campaign for economy in consumption now being prosecuted throughout the country is making good progress, and it may be hoped that before long imports will be curtailed on the one hand, and exports will be increased on the other. It is true that the capacity of our manufacturing industries is for the most part being fully utilised, but the cotton trade is an exception, and here a great expansion in exports may reasonably be expected in the coming months if the monsoon in India continues to be favourable and the improvement in the demand for goods for South America, China, and elsewhere is maintained. It will be realised that a number of our industries are active because of the greatness of the home consumption, and that economy will set free for export a larger quantity of the goods that are now being produced. Roughly speaking, the country needs to reduce its imports by about £15,000,000 to about £60,000,000 per month, and to increase its exports by £15,000,000 per month to £50,000,000 per month, and no great difficulty should be experienced in accomplishing this. Whether or not it can be done entirely by voluntary action is, however, doubtful, taking into account the generous disposition of the British people and the difficulty which most of them have in refraining from spending the whole of their income. It should, of course, be borne in mind that were the British to become economical, and to reduce their consumption for a time, their efforts to adjust the trade balance by keeping down their expenditure would probably be assisted by a fall in the prices of commodities, especially of those things of which consumption is reduced.

In the whole of the past twelve months of war we calculate that the imports have exceeded the exports and income from interest, freights, &c., to the extent of only about £79,000,000. To this sum has to be added the amount of gold received. From the published data this amounts to as much as £73,000,000, but there has been a good deal of gold shipped abroad by private persons, the amount of which is unknown. It may, however, be assumed that the addition to the stock of gold in the Bank of England has all come from abroad, and this amounts to £50,000,000 for the year. Furthermore, in the past year the country has lent money to its Allies, Colonies and foreign customers to the extent of about £150,000,000, and the total sum met out of floating capital and by sales of American securities has been about £279,000,000. The calculation is as follows:—

*Great Britain's Foreign Trade First Year of War.*

	£	£
Imports for consumption	678,000,000	
Imports of Government stores	100,000,000	
Total imports for consumption	778,000,000	
Exports of British goods	349,000,000	
Foreign income from interest, freights, insurance, &c.	350,000,000	
Total income from exports, interest, shipping, &c.	699,000,000	
Excess of imports met out of capital	79,000,000	
Add imports of gold	50,000,000	
Add loans to Allies, Colonies, &c.	150,000,000	
Total sum met out of floating capital and sales of American securities	279,000,000	

Thus the country has had to meet out of capital a sum of less than £80,000,000 in respect of goods imported. Against this slight reduction in capital has to be placed the additional capital invested at home in houses, buildings, factories, railways, &c. When this is done it becomes evident that in the first year of war the country has met the whole of its expenditures out of income, and that the capital fund it possessed at the beginning of the War has not been in any way diminished. There has been a very small reduction in the amount of capital abroad, and there has been a corresponding increase in the amount of capital at home.

## THE WORLD'S FOOD SUPPLY.

At the present time unusual importance attaches to the world's crops. Normally good crops mean good trade and general prosperity. At the present time good crops mean an abundant food supply for this country, whereas bad crops would mean both shortage and very high prices. In ordinary circumstances if the crops are deficient in any one part of the world they are usually abundant in other parts and thus average out. If the American, Canadian, or Argentine crops are small the Russian crop is abundant, and the supply for this country is still abundant. But just now with the Dardanelles closed, the Russian supplies of food are not available for other countries, and consequently Great Britain has to depend for an adequate supply of food on the rest of the world other than Russia. Last year the world's crops were deficient, and on the top of this the Russian supplies could not be exported. The result was a great rise in the price of all food. Probably in the present year the position will be reversed. Outside of Russia the world's crops are abundant, and even if no food is exported from Russia the amount available for consumption in all countries will be more than adequate, while should the Dardanelles and the Russian and Roumanian supplies be made available the quantity of food available would permit of consumption on the most generous scale. Even the enemy countries are blessed with relative abundance in the current year, whereas last year their supplies were deficient. Indeed, it is evident that if Roumania removes the embargo upon exports of food to Germany and Austria those countries will secure all the food they need, and the drastic economies in food consumption practised in the past year will be no longer necessary, while should the embargo on Roumanian wheat exports be maintained, the amount of food available for consumption in Germany and Austria will be substantially larger than it was last year, apart from the fact that the stocks of food brought into the new crop season are probably much smaller than they were a year ago.

According to that recognised organ of the grain trade, the *London Grain, Seed, and Oil Reporter*, the world's wheat crop in the current year will reach the great total of 518,500,000 quarters, against only 456,500,000 quarters in 1914 and 494,650,000 quarters in 1913.

The indicated surpluses in exporting countries, judging from the present condition of crops in the various countries, works out at the colossal figure of 132,500,000 quarters, leaving reserves at the end of the season at the same total as at the commencement. This figure of 132½ million quarters is arrived at as follows: Russia and Roumania 40 million quarters, United States 45½ million quarters, Argentina 13 million quarters, Canada 18 million quarters, India 8 million quarters, Australia 7 million quarters, and North Africa 1 million quarters. Only a small portion of the Russian surplus can be shipped until the Dardanelles Straits are reopened, whilst Germany and Austria can only import wheat from Roumania so long as that country remains neutral. Leaving Russia and Roumania, therefore, out of the exporting countries for the present, and Germany and Austria out of the importing countries, the total surplus available for export would amount to about 92½ million quarters, whilst the import requirements amount to about 63 million quarters, of which quantity European countries would want 55 million quarters and non-European countries 8 million quarters.

Whereas in the season just ended the United Kingdom was very dependent on the United States for its supplies of wheat, it will not be so to nearly the same extent this season, for, unless climate conditions are exceptionally unfavourable in the future, Canada, India and Australia together will be able to spare 33 million quarters of wheat, whereas our requirements promise to be under 26 million quarters, so that the British Empire will be more than self-supporting this season as far as wheat supplies are concerned. The Canadian wheat surplus, however, will not be available in quantity before October, and the Australian before January.

The preliminary estimate of the world's wheat crop of 1915 made by our contemporary compares as follows with the wheat crops of previous years:—

(In Quarters of 180 lbs., 000 omitted.)

	1915	1914	1913	1912	1911	1910
• Austria ...	1,000	7,500	8,600	8,600	7,500	7,500
† Belgium ...	20,000	16,500	21,000	23,000	24,000	22,700
Bulgaria ...	1,000	1,700	1,900	1,900	1,800	1,550
Bulgaria ...	6,500	5,700	6,600	7,000	8,500	7,100
Denmark ...	600	700	500	450	500	550
France ...	35,000	30,200	39,900	41,800	40,300	31,500
Germany ...	20,000	18,300	21,400	20,000	18,700	17,700
Greece ...	600	700	700	700	750	650
Holland ...	600	650	600	700	700	550
Italy ...	23,000	21,150	26,100	20,800	24,000	19,200
Portugal ...	300	300	800	800	1,000	800
Romania ...	12,800	5,800	10,300	11,100	12,500	13,400
Russia ...	11,000	101,000	119,500	90,500	67,000	102,800
Serbia ...	1,500	1,200	1,500	1,700	1,900	1,650
Spain ...	16,000	14,500	13,900	13,700	18,500	17,200
Sweden ...	900	900	1,100	900	1,000	900
Switzerland ...	600	400	450	400	500	350
United Kingdom ...	8,500	8,100	7,100	7,100	8,000	7,200
<b>Total for Europe ...</b>	<b>271,300</b>	<b>244,900</b>	<b>281,950</b>	<b>251,450</b>	<b>237,150</b>	<b>253,300</b>
Algeria and Tunis ...	5,500	4,500	5,300	3,000	5,500	5,700
Argentina ...	22,000	22,000	14,000	21,000	20,700	18,200
Australia ...	12,000	3,800	13,500	12,000	9,900	13,100
Canada ...	28,000	20,000	29,500	28,000	27,000	18,700
Chile ...	2,500	2,800	2,000	2,500	2,200	2,300
Egypt ...	4,500	4,100	4,000	3,600	4,700	4,000
India ...	47,300	39,300	45,300	45,800	46,300	44,600
U.S. America ...	120,700	111,400	95,400	91,000	78,000	79,400
Uruguay ...	1,200	1,000	700	1,200	1,200	1,300
Japan ...	2,900	2,700	3,000	3,000	3,100	2,700
<b>Total out of Europe</b>	<b>247,200</b>	<b>211,600</b>	<b>212,700</b>	<b>211,100</b>	<b>198,600</b>	<b>190,000</b>
<b>Grand Total ...</b>	<b>518,500</b>	<b>456,500</b>	<b>494,650</b>	<b>462,550</b>	<b>435,750</b>	<b>443,300</b>

• Including Bosnia and Herzegovina.

† Including Slavonia and Croatia.

Even if the weather proves unfavourable for harvesting, and the final result short of the preliminary estimate by 10 or 20 million quarters, this year's world's crop will still be sufficiently large to ensure ample supplies for all requirements, both of European and non-European countries. In this connection it may be mentioned that the world's rye crop also promises to give a fair increase over that of last year, and this is important, as the consumption of rye, both in Russia and Germany, is considerably larger than that of wheat.

The maize crop also promises to be much larger than last year, the estimated yield of the American crop amounting to 2,918,000 bushels, in comparison with 2,673,000 bushels in the previous year, and the American oat crop is likewise a very large one. The expected greatness of the American crops in the current year will be appreciated from the following statement:—

#### Yield of Principal Cereal Crops of United States.

Year	Wheat Million Bushels	Maize Million Bushels	Oats Million Bushels	Barley Million Bushels	Rye Million Bushels	Flax Million Bushels
1915•	366	2,918	1,402	217	44.0	18.0
1914	361	2,673	1,141	195	42.8	15.6
1913	763	2,447	1,122	178	41.4	17.9
1912	730	3,125	1,418	224	35.7	28.1
1911	621	2,531	922	160	33.1	19.4
1910	635	2,886	1,186	174	34.9	12.7

• Estimated from condition reports, Aug. 1, 1915.

Thus there is the prospect that in the current year food will not only be much more abundant than it has been in the past year, but that prices will be substantially lower.

COMMONWEALTH BANK OF AUSTRALIA.—Branches of this Bank have been opened at Port Augusta and Port Pirie, South Australia.

HARROD'S STORES FOUNDERS' SHARES CO.—Interim dividend at rate of 10 per cent. per annum.

LANGAT RUBBER CO.—Interim dividend of 5 per cent.

UVA RUBBER CO.—Interim dividend of 5 per cent.

## DEFENCE OF THE REALM ACTS.

A SMALL and compact volume has just been published by His Majesty's Stationery Office, containing the Defence of the Realm Acts and the Regulations thereunder, and which, like the Manual and all the other official publications relating to emergency legislation, has been edited by Mr. Alexander Pulling, C.B..

The first part of the volume comprises the text of the four Defence of the Realm Acts, and the third part the Liquor Control Regulations and the Orders in Council applying them to specified areas in England, Wales, and Scotland. All three parts of the work are accompanied by editorial footnotes affording a key to the law on the subject, facilitating reference, and showing what subsidiary orders have been made under the enabling powers of the Regulations.

The price of the volume is one shilling, and it can be purchased either directly, or through any bookseller, from Wyman and Sons, Fetter Lane, E.C.

## ECONOMY BY EFFICIENCY.

A GREAT deal is being said at the present time about extravagance and waste and the necessity for economy, and no one has stronger views upon this matter than THE STATIST. But one side of the matter has been neglected, and that is the waste arising from unscientific methods of production and of distribution. When one looks around, and sees how much more efficient labour might be made, and the better results that could be obtained from a given expenditure of labour, one realises the urgent need at this time for everything possible to be done to render labour and capital more efficient, and, therefore, more effective of results. One of the great drawbacks from which this country has suffered in the past has been the premium which the redundant supply of labour has hitherto placed upon inefficiency. When one notes the great waste of labour arising from the multiplication of small shops, small factories, small works, and small railways, and the vast quantity of people employed in excess of the number that would be needed if both production and distribution were more carefully organised, one realises that it is within the power of this country to make good in a few years by more scientific methods the great destruction of the nation's wealth that is now taking place. Having regard to the existing scarcity of labour and the urgent need to increase the productive power of the country as quickly and as much as possible, we trust that every one of our readers will devote his attention to the question of the more efficient use of labour.

During the last few years we have again and again called attention to the waste of labour and of capital upon our railways, and to the economy that would result, first, from the abolition of privately owned waggons, and, secondly, from the construction of waggons of greater size, and we have urged the railway companies to compile the data which would enable them to see how much labour and capital they were wasting. We freely and willingly admit that the railways have endeavoured to bring their methods of loading and of conveyance more up to date. But, in spite of the progress they have made in economical and scientific transportation, the scope for economy is still almost unlimited. One of the arguments which the railway companies have used as a justification for their slowness and delay in introducing more efficient and more economical methods has been that scientific railway working cannot be introduced until everything from top to bottom has been changed; that not only is it necessary to abolish private traders' waggons and to build waggons of larger capacity and engines of greater power, but that new coal-tips at the collieries and at the docks, over which the railway companies have little

or no control, must also be made larger; and that until the collieries and the docks altered their tips the railway companies could do little. There was a certain amount of force in this argument; although it was much less than the railway companies seemed to imagine, for obviously the collieries and the docks were not likely to change their tips unless they received encouragement from the railway companies to do so. The difficulty of using larger waggons at the docks is, however, now being steadily overcome, and this reason for procrastination will soon completely disappear. On the Clyde, on the North-East Coast, in Liverpool, and in South Wales the coal-tips are being modernised, and it is now possible for the railways to send waggons of 20 tons capacity, in place of the old 10- and 8-ton waggons, to a large number of the more important ports.

At the present time, when the loading facilities on the West Coast are being taxed to the utmost, we are specially glad to learn that the first of the new tips which have been under construction for some time at Barry Docks was opened for traffic last week.

These tips are of the latest model, and probably are the most up-to-date in this country, and it is expected that when the whole of the new tips are completed it will mean an increase in the coaling facilities of the docks of over a million tons per annum.

The tips are of two kinds—viz., fixed and movable—and are so arranged that it is possible to have at least two tips working into a ship at the same time. They have been designed to deal with waggons of 20 tons capacity, giving a gross load on the cradle of 30 tons, and with this load they will lift at the rate of 180 feet per minute to a height of 60 feet, so that the largest ships may be easily loaded or bunkered. The cylinders are so arranged that, if it is not necessary to lift a 20-ton waggon, ordinary 10- and 12-ton waggons may be dealt with at the same speeds, with a proportionate economy in the power required. Each tip has a 5-ton anti-breakage crane, fitted with the Company's special design of anti-breakage box, and also with a 3-ton small-coal crane, which is capable of loading the screenings from the deck of the ship and discharging it through a hopper into a waggon placed on the quay wall.

These tips have several new features, in addition to the higher speed and larger capacity. The cradle, instead of being worked direct by the rams, is suspended by wire ropes working over large overhead pulleys, giving a very easy and steady movement of the cradle. The tipping of the table is performed by another cylinder, the ram of which also operates through wire ropes; while the shute is manipulated by a special three-cylinder hydraulic engine placed on the top of the structure. By means of an ingenious arrangement of clutches the same engine raises and lowers the top of the shute, raises and lowers the nose of the shute, and can also be used for slewing the nose horizontally 5 feet in either direction.

The whole of these movements are under the control of the topman, who has the necessary wheels and levers in his cabin.

The tips have been designed and constructed by Messrs. Sir Wm. Armstrong, Whitworth and Company, of Elswick, to the specification of the Company's engineers.

Each tip is provided with three feed roads, each of which will hold a train of coal; and, in addition, a large group of sidings has been provided in the immediate vicinity for the accommodation of coal not immediately required.

The construction of these tips has been hindered in consequence of the War, but progress is being made with the remainder, and, when completed, they will be a most important addition to the coal-shipping facilities of the Bristol Channel.

### "Silver Bullets" will win the War.

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## Financial Notes.

THE bad weather of July and of August so far has done much damage to the growing crops. It is possible, of course, that there may be some recovery. But, as we are now in the middle of August, the probability is not great. Much of the wheat, it is reported, has been laid, and it is difficult to believe that it can be straightened and properly ripened. All the grain crops, in fact, are injured. The matter is serious from every point of view. Owing to the blundering of our Government, chiefly, the Dardanelles has not been opened yet. Consequently, we have not received the surplus supplies from Russia which otherwise would have reached us. The receipts from India so far have not been as bountiful as we were led to expect. And it is hardly necessary to remind the reader that last year's crop was a failure in Australia. Therefore, our supplies have not been such as was desired, and prices have been seriously high, so high as to press heavily upon the very poor. In consequence of the high prices the farmers of the United Kingdom seem to be preparing for increasing materially the area under cultivation for next year. As things have turned out we fear their ardour will be checked.

We do not, indeed, cherish the hope that a largely increased area can be permanently sown to wheat, for there are so many foreign competitors now that it is scarcely credible that British farmers could grow a very much increased acreage of wheat at a profit. They could do so under circumstances like the present when war disarranges all calculations. But as soon as peace returns it is incredible that they could do so and pay the heavy rents that would be exacted from them. A peasant proprietary might succeed. But farmers paying heavy rents would not be likely to do so. A permanent increase of the acreage under food grains is not very likely under any circumstances. But there might be a temporary increase which would keep down prices in the coming twelve months, or at all events in the early months of the coming year, and would, therefore, be of advantage. The unfavourable nature of this year's weather renders it very unlikely that the exhortations addressed to the farmers will have much effect.

It does not follow, of course, that supplies will be short in consequence. It does not even follow that prices will be extravagantly high, for, unfortunately, the home-grown supplies are so small that a moderate decrease will not greatly affect markets except for a month or two. Usually the British farmer sells his wheat as soon as it is ready for market. Therefore a good harvest would undoubtedly be favourable for a few months. But a bad harvest is not likely to be very unfavourable, owing to the smallness of the home-grown supply. The outlook for the next twelve months depends, of course, upon the progress of the War. Russia, as the reader knows, has been unable to export much of last year's crop. And there are reasons for believing that the new crop is a good one.

If, therefore, the Dardanelles can be opened soon, Russia will be able to export on an enormous scale. She would be able, in fact, to dispose of the surplus of two years. In consequence, we might see a very remarkable fall in the price of wheat.

Whether the Dardanelles will be speedily opened depends upon the fortunes of war. Large forces are engaged in the operation, but we are kept in such utter ignorance of what has been done, and what is likely to be done, that it is impossible to form any opinion. And we are not in the least inclined to play the part of prophets. The British Foreign Office was entirely against soliciting the co-operation of the Balkan States in the early part of the War. Now it seems it has changed its mind. Why it did not make it worth the while of Bulgaria to throw in her lot with the other Balkan States is a puzzle quite in harmony with all the other mistakes of our Government. We learn now, however, that the British Government has taken the lead in making representations to Bulgaria, and that Bulgaria has been placed in a position in which she will speedily have to make up her mind.

As our Government is too high and mighty to tell the people of the United Kingdom and the Empire what its policy in this respect is, we are quite unable to guess even at what Bulgaria is likely to do. It is obvious, however, that the evacuation of Warsaw does not encourage either Bulgaria or Roumania to join the *Entente* Powers immediately. On the other hand, it is perfectly evident that if the Balkan States are ever likely to realise their aspirations the present is the best opportunity they are ever likely to have. Consequently, it is at least possible that the Balkan States may join the *Entente* Powers. If they do there would be good grounds for hoping that the fall of Constantinople will take place speedily. If it did the Dardanelles would be opened, and Russia would be brought once more into ready communication with the rest of the world.

Regarding India, it is difficult as yet to form any estimate. Our readers know that during June and July the monsoon was not satisfactory. Last week the reports concerning it were much more favourable. This week they continue favourable upon the whole, although the monsoon is defective in certain districts, and we are warned that it is likely to continue unsatisfactory for some little time. The present prospects, then, are not very encouraging. It would be a great misfortune if the monsoon fails. But short of failure it may be so moderate a success that India will not have a very large surplus for export. Of course, it is entirely too early to speculate as to what may happen in either Australia or Argentina. These are countries in which the harvest falls so late that it is useless at present to attempt to form any anticipation. We may hope, however, that the crops generally will be so good, apart from these two, that there will be no real grounds for very high prices, unless, of course, the Dardanelles continues closed and the monsoon proves entirely disappointing.

## OUR INDEX-NUMBER OF PRICES.

(In Continuation of Sauerbeck's Figures.)

THE following are THE STATIST'S index-numbers of the prices of 45 commodities, the average for the 11 years 1867-77 being 100:—

Annual Numbers.				Monthly Numbers.			
Period		Average		Month		Index No	
1873	...	111		July 1896	...	59.2	
1878-87	...	79		February 1909	...	71.9	
1890-99	...	66		June 1914	...	81.2	
1905-14	...	79		July 1914	...	82.4	
1880	...	88		August 1914	...	87.9	
1896	...	61		September 1914	...	89.3	
1905	...	72		October 1914	...	89.8	
1906	...	77		November 1914	...	88.8	
1907	...	80		December 1914	...	91.6	
1908	...	73		January 1915	...	96.4	
1909	...	74		February 1915	...	100.9	
1910	...	78		March 1915	...	103.7	
1911	...	80		April 1915	...	105.9	
1912	...	85		May 1915	...	107.2	
1913	...	85		June 1915	...	106.4	
1914	...	86		July 1915	...	106.4	

It will be seen from the above statement that no change has occurred in our index-number during the past month, which therefore remains at 106.4, which is 25.2 points, or 31 per cent., higher than for June 1914 before the War began. On balance for July the prices of foodstuffs were 1.8 per cent. higher, the number for the month having been 107.7, against 105.8 for June. Compared with June 1914, when the number was 74.8, the rise has been as much as 44 per cent. On the other hand, the number for materials was 1.3 per cent. lower for the month at 105.5, so that against the number of 85.7 for June 1914, the rise since the War began has been 23.1 per cent.

Taking articles of food and materials separately, the index-numbers for last month compare thus (1866-77 = 100 in both cases):—

	Food-stuffs	Materials		Food-stuffs	Materials
Year 1873	107	114	June 1914	74.8	85.7
Aver. 1878-87	84	76	June 1915	105.8	106.9
" 1890-99	68	64	July "	107.7	105.5
" 1905-14	75	82			
July 1896	60.0	58.6	Rise % in June	+ 1.8	- 1.3
May 1907	73.5	88.9			
Feb. 1909	70.8	72.6	Rise % 13 mos.	+44.0	+ 23.1

The rise in the prices of foodstuffs last month arose entirely in vegetable and animal foods, sugar, coffee, and tea on balance being somewhat lower. As regards vegetable foods, an all-round rise occurred with the exception of oats and rice, the greatest percentage gain being in American maize, English wheat and barley. The price of flour, which had tended to decline in June, was again somewhat higher. In the aggregate vegetable foods increased 2.3 per cent. for the month to 105.4, making a total rise of 58.5 per cent. since June of last year. Apart from pork, animal food was dearer, more particularly bacon, and the number rose 2.2 per cent. for the month. Since the War began the rise here has been 33.7 per cent. The prices of sugar and tea further hardened, but inasmuch as a substantial decline occurred in the price of coffee the index-number of this section declined  $7\frac{1}{2}$  per cent. to 72.9. Nevertheless, since June the index-number of sugar, coffee, and tea has risen 40.7 per cent. The chief offsetting factor to the increased cost of foodstuffs was the reduction in the quotations for minerals, the principal declines having been in tin, copper, and lead. As a result the index-number of minerals declined 4.3 per cent. to 121.2, which is still 25.3 per cent. higher than at the end of June 1914. A small improvement in the price of cotton was more than offset by lower quotations for wool, and on balance the number for textiles was 1.1 per cent. lower for the month at 89.6. During the past 13 months textiles have risen 11.2 per cent. Among sundry materials timber, hides, and tallow were higher, and the number rose .8 per cent. Since

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the outbreak of war the index-number for sundry materials has risen 29.8 per cent. to 107.1.

Comparison of the prices of the various classes last month with previous periods is made below:—

	Veg. Food (Corn, &c.)	Animal Food (Meat & Butter)	Sugar, Coffee & Tea	Mine- rals	Tex- tiles	Sun- dries
Year 1873	106	109	106	141	103	106
Aver. 1878-87	79	95	76	73	71	81
" 1890-99	61	80	63	71	56	66
" 1905-14	70	92	53	97	75	78
June 1914	66.5	97.5	51.8	96.7	80.6	82.5
June 1915	103.0	127.5	73.4	126.6	90.6	106.2
July "	105.4	130.3	72.9	121.2	89.6	107.1
+ or - % July'15	+2.3	+2.2	-0.7	-4.3	-1.1	+0.8
Do. % since June'14	+58.5	+33.7	+40.7	+25.3	+11.2	+29.8

SILVER.—Business in the Silver market was very restricted during July, and on balance for the month the price was 7-16d. lower at 22 7-16d. per oz. Apart from some Continental buying and a few Bazaar orders the support was poor. Stocks in London continued to accumulate, and rose during the month from about £1,800,000 to over £1,900,000. Imports of the metal in July amounted to £618,000 and exports to £439,000.

The price and index-number of silver for last month compare as follows (60.84d. per oz. being the parity of 1 gold to 15½ silver=100):—

	Price d.	Index- No.	End of	Price d.	Index- No.
Average 1890-99	34	= 55.8	Dec. 1906	32½	= 53.1
Average 1905-14	26½	= 43.9	June 1914	26	= 42.7
Average 1893	35½	= 58.6	Oct. 1914	22¾	= 36.5
Average 1909	23½	= 38.9	Dec. 1914	22½	= 37.3
Average 1914	25¼	= 41.6	June 1915	22½	= 37.6
Lowest, Nov. 1902	21½	= 35.6	July 1915	22⅞	= 36.8

GOLD.—The stock of gold in the Bank of England was raised during July from £52,092,000 to about £61,000,000. Besides the release of a considerable amount of gold hitherto earmarked, a large sum was received "from the country," £3,000,000 having come from the London City and Midland Bank.

## Correspondence.

### THE DEPUTATION OF BANKERS.

To the Editor of THE STATIST.

SIR,—I am an old man acquainted with more than one country; and in all my long life I have never known man or woman to complain because their right to be taxed was not acted upon. I venture to say that you may rest quite assured that the denial of taxation will not stir up rioting or even discontent. It is happily quite true that since Waterloo there has been a great increase in the wealth of this country. But, unfortunately, it has been almost monopolised by the well-to-do. The dwellers in the slums and alleys of our great towns are as miserable as they were in my boyhood. Even the trades unionists have only partially benefited. What they have gained has been gained by defiance of the law as it existed a century ago. Every demand they made for bettering their condition was bitterly opposed by the executive, by Parliament, by the judges, and by their employers. The Laws of Conspiracy and the Laws against Restraint of Trade were invoked successfully against them, and they gained what they have gained in the teeth of all that simply by their own loyal union and by their defiance of the then existing laws. No! it is not those step-children of the State that ought to be taxed, but the coddled darlings of the State. Everybody, I presume, will agree that a man is poor who cannot supply himself and his family with a sufficiency of (1) nutritious food; (2) clothing suitable to each season; (3) dwelling accommodation that will not only secure health and decency, but will not by its scantiness condemn the man to take refuge in the public-house from squalor, squalling children, and the like.

If that be so, then it is surely right that such persons should not be taxed. Remember, that it is the efficiency of the people that constitutes the real wealth and strength of a State; and if you tax the poor you are attacking their efficiency. The real persons that ought to be taxed—and taxed heavily, too—are those who are specially favoured by the State, such, for example, as bankers, acceptors of bills, insurance companies, great traders, shipowners, the Stock Exchange, and so on. All those were rendered immense services at the beginning of the War, and they ought to pay for them to the uttermost farthing. Next, the freehold owners of the soil, and particularly the freehold owners of our towns. Lastly, the idle rich, such as the gentleman who, the other day, admitted in Court that with about £3,000 a year he kept no fewer than a dozen hunters.

AN ECONOMIST OF THE NEW SCHOOL.

## WESTERN FREIGHT RATE CASE.

THE relative success of the application of the Eastern Railways of the United States, in asking for advances in freight rates at the end of 1914, led to a similar request being made by the railroads operating in Western Trunk Line and South-Western Tariff Committee Territories, who put forward practically the same arguments as did the Eastern roads last year. Concluding arguments in what has been termed the Western Freight Rate Case were heard on June 26, and no time has been lost by the Interstate Commerce Commission in announcing its decision in the matter. The judgment which has been handed down this week has, however, given rise to disappointment, for the full demands of the companies have not been met. Had the increases asked for been granted in full the companies affected would have benefited to the extent of about \$10,000,000. It is, of course, doubtful whether the railways themselves anticipated receiving all they asked for, but they certainly looked for more than has been granted to them. The benefits that have been conceded, it is estimated, will bring in only about \$1,600,000 of additional revenue per annum, the greater portion of which will accrue to those lines operating in the South-Western Territory, in which are included the Atchison, the Southern Pacific, the Milwaukee, and Rock Island lines. From the brief telegraphic summary of the decision it is understood that the Interstate Commerce Commission has decided to grant increased rates upon the carriage of bituminous coal, coke, fruit, and vegetables, but will not sanction higher rates for grain, live stock, packing-house products, fertilisers, and corn. It is interesting to note that the decision of the Commission was not unanimous, two important members in a minority report having expressed their approval to the granting of additional benefits. The question of passenger fares, for the raising of which the Western roads have also sought power, is still under consideration, and a decision may be looked for at no distant date.

Although the demands of the carriers have not been met as generously as had been hoped for, the decision of this week is of considerable importance as a further indication on the part of the Interstate Commerce Commission to recognise the needs of the railways, having regard to all the adverse factors with which the companies have been faced in recent years.

BANK OF BRITISH NORTH AMERICA.—Interim dividend of 40s. per share, less tax.

EASTMAN KODAK Co. of NEW JERSEY.—Quarterly dividend of 1½ per cent. upon Preferred stock, and of 2½ per cent. upon Common stock, and an extra dividend of 2½ per cent. upon the Common stock.

HARROD'S STORES.—Interim dividend on Ordinary at rate of 10 per cent. per annum.

MATHER & PLATT.—Interim dividend on Ordinary of 3 per cent., less tax.

PRICE'S PATENT CANDLE Co.—Interim dividend of 16s. per share, less tax.



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American Topics.

BALTIMORE AND OHIO RAILROAD.

THAT the affairs of the Baltimore and Ohio Railroad have taken a distinct turn for the better is evident from the results for May and June, and the fact that the profits for 1914-15 have been more than sufficient to provide the sum needed to pay the 5 per cent. dividend, a feat that seemed to be not within easy reach only a few months ago. Commencing with the June half of 1906 6 per cent. dividends were inaugurated on the Common stock, all of which were more than earned up to 1912-13, but owing to a combination of adverse factors profits subsequently tended to decline. Although for 1913-14 only about 4½ per cent. was earned on the stock, the dividend was maintained at 6 per cent. in the hope that conditions would improve. That the profits for 1913-14 were reduced arose from the heavy expenses for repairs as a result of flood damage, higher wages, increased cost of materials, additional taxes, and various other burdens imposed upon the road without any compensation whatsoever being forthcoming in the shape of increased freight rates. At the same time the iron and steel industry, with the prosperity of which the Baltimore and Ohio is so closely associated, was passing through a period of great depression which became accentuated in the early months of the War. Consequently the dividend was placed upon a 5 per cent.

basis six months ago, although for the December half of 1914 the profit earned was equal to a rate of dividend of no more than 4.35 per cent. That the directors made a reduction of only 1 per cent. in the dividend was due to the brighter outlook that existed in the early part of this year among the manufacturing industries of the United States and to the benefits expected to be derived from the increase in freight rates granted to the Eastern roads towards the end of 1914 by the Interstate Commerce Commission. This action of the directors in placing the dividend on a 5 per cent. basis seems to have been fully justified having regard to recent results, which show that whereas the full half-year's dividend was not earned for the December half of 1914, it has been more than earned in the June half of 1915. For the past year the profit has been equal to a dividend of 5.45 per cent., in comparison with 4.53 per cent. for 1913-14 and 7.25 per cent. for 1912-13. How the results for the past six months, which were better than those for any June half since 1912, compare will be evident from the following statement to which we have added the figures for the past four years:

Half-Yearly and Yearly Profits of Balt. & Ohio R.R.  
(000's omitted.)

Half-Year ended	Net Receipts less Taxes	Net Income	Charges & Deprec. Div.	Net Profit for Com.	Dividend on Common	Balance
	\$	\$	\$	\$	%	\$
Dec. 1911	17,000	14,000	8,000	6,378	8.00	1,817
June 1912	11,200	10,000	8,000	5,208	6.80	647
Fr. 1911-12	24,233	28,576	16,990	11,586	7 61 6	2,464
Dec. 1912	14,186	10,000	8,000	7,450	9.80	2,895
June 1913	9,000	10,000	11,100	3,572	4.00	Dr. 389
Fr. 1912-13	23,789	29,001	17,973	11,028	7 25 6	1,906
Dec. 1913	12,672	15,051	10,273	4,778	6.28	218
June 1914	8,366	12,005	9,887	2,118	2.79	Dr. 2,442
Fr. 1913-14	21,038	27,056	20,160	6,896	4 53 6	Dr. 2,224
Dec. 1914	11,127	10,870	10,000	8,000	1.00	Dr. 493
June 1915	13,136	15,476	10,501	4,975	6.55	1,175
Fr. 1914-15	24,563	29,346	21,064	8,282	5 45 5	682

Had it not been for the benefit derived in the latter months of 1914-15 from the higher freight rates it is probable that the gross receipts for the year would have made an even more unfavourable showing than was actually the case. The decline in the gross earnings for the twelve months amounted to \$7,348,000, or about 7.4 per cent., but by a curtailment of as much as \$10,477,000, or 14 per cent., in operating expenses, net receipts showed a gain of \$3,129,000 or 12.6 per cent. This net result is especially satisfactory taking into account the heavy shrinkage in gross receipts, and is due in the main to the reduction in the cost of conducting transportation which arose from the increased skill of the officers and the large capital expenditures that have been made upon extending the Company's facilities and building cut-offs in recent years with a view to enabling the business of the road to be handled more economically than ever before. For the past year the cost of conducting transportation has been reduced almost \$6,000,000, and the proportion to gross receipts has been brought down from the high level of 42.5 per cent. to 39.4 per cent., an achievement for which the officers of the road are to be heartily congratulated. More than \$2,000,000 of the decrease in expenses arose from the fact that in 1913-14 there was expended upon maintenance of way as a result of flood damage a sum of \$2,112,000, an outlay which did not recur in the past year. What may be termed normal expenditures on maintenance of the road were \$1,320,000 less, and maintenance of equipment expenditures were also \$1,147,000 lower than for 1913-14. Notwithstanding these reductions in expenditures on maintenance, apart from repair work rendered necessary by the floods, the ratio of such expenditures to gross receipts in 1914-15 was 27.22 per cent., against 27.69 per cent. in 1913-14. How earnings and expenses for last year compared with those

for 1913-14 will be evident from the appended statement:—

*Receipts and Expenses, Balt. and Ohio R.R. last Two Years.*

	1914-15		1913-14		Inc. or Dec.
	\$	% of Gross	\$	% of Gross	\$
Gross Receipts ...	91,816,000	—	99,164,000	—	7,348,000
Oper. Expenses:					
Maint. of Way					
(normal)	8,986,000	9.79	10,306,000	10.39	1,320,000
do. due to floods	—	—	2,112,000	2.13	2,112,000
Maint. of Equip. ...	16,003,000	17.43	17,150,000	17.30	1,147,000
Cond. Trans. ...	36,169,000	39.39	42,138,000	42.49	5,978,000
Gen. & Misc. Exp. ...	2,777,000	3.02	2,697,000	2.72	80,000
Total Exp. ...	63,926,000	69.57	74,403,000	75.03	10,477,000
Net Earnings ...	27,890,000	—	24,761,000	—	3,129,000

In the year upon which the Company has now entered greatly improved results, both gross and net, may be anticipated. Apart from the cessation of a prolonged strike among bituminous coal miners, and the further benefits to be derived from the higher freight rates, which did not come into full operation until towards the latter portion of the past fiscal year, the Baltimore and Ohio will participate in the tremendous activity prevailing in the manufacturing districts, especially in the iron and steel industries, and it would not be surprising if almost the whole, if not all, of the shrinkage in gross receipts experienced last year were made good in the current twelve months. Improvement in gross earnings would, of course, be accompanied by some addition to expenses, but this would arise more on account of heavier maintenance outlays than from increased cost of conducting transportation, immense economies having been rendered possible by the various improvements that have been effected in the physical condition of the property. For in recent years, at a capital cost of about \$100,000,000, such facilities have been provided as will permit of much heavier freight trains being run and a vast amount of additional traffic being carried at little extra cost. The course of earnings and expenses last year, with which comparison will be made in the current year, is indicated in the following compilation:—

*Course of Earnings and Expenses of Balt. and Ohio R.R. 1914-15.*

	Gross Receipts	[000's omitted.]		Cond. Transportation	Oper. Expenses	Net Receipts
		Maintenance of Way	Equipment			
July ...	874	161	211	256	506	368
Aug. ...	929	411	91	361	694	235
Sept. ...	599	267	32	307	529	70
Oct. ...	1,530	292	264	590	1,133	397
Nov. ...	1,195	291	228	622	1,241	46
Dec. ...	1,379	294	169	653	1,141	238
Jan. ...	920	241	36	586	882	38
Feb. ...	36	148	166	656	970	1,006
Mar. ...	745	98	218	708	1,022	277
Apr. ...	447	95	99	477	640	193
May ...	544	176	241	328	703	1,247
June ...	702	560	61	434	1,016	1,718
Year ...	7,348	3,434	1,147	5,978	10,477	3,129

The price of the 4% Preferred stock is about 74½, at which the yield afforded is 5⅓ per cent. With the Common stock now standing at 84½ the return given is about 6⅓ per cent.

## CANADIAN PACIFIC RAILWAY.

Any doubts that recently existed as to the ability of the Canadian Pacific Railway to maintain its rate of dividend have now been dispelled by the announcement that for the fourth consecutive year the distribution on the Ordinary stock is again 10 per cent. The belief that the dividend would be somewhat reduced on this occasion existed only in the minds of those people who failed to take into consideration the great strength of the Corporation and the fact that its financial position was such that a period of adversity could be tided over without in any way curtailing the rate of distribution. Of the 10 per cent. dividend paid, 7 per cent. comes out of the net profits of the Railway proper, and the remaining 3 per

cent. from special income, in which are included receipts from land sales, interest on bonds and stocks held, and net earnings from Pacific Coast steamships, commercial telegraph, news department, and hotels. Net earnings from Pacific steamships, telegraph and news departments are deducted from the net receipts of the Railway and are transferred to special income, and for the past year this deduction from the Railway's accounts has been \$622,000 less than for 1913-14. After allowing for this, and for about \$200,000 of additional interest charges, the net profit of the Railway was \$90,000 in excess of the 7 per cent. dividend paid. With regard to special income the revenue for the year available for dividend was equal to 4.22 per cent. Taking the whole of the profit, Railway and special combined, 11¼ per cent. was earned on the Ordinary stock, and after providing for the 10 per cent. dividend, calling for \$26,000,000, there was a surplus of \$3,259,000, which will raise the amount of undivided profits to the large sum of about \$75,000,000, even when allowance is made for the payment of the dividends just declared. How the profits of the past year compare with those for the previous four years will be evident from the following statement:—

*Income Statement of the Canadian Pacific Railway.*

	1914-15	1913-14	1912-13	1911-12	1910-11
	\$	\$	\$	\$	\$
Gross receipts ...	98,865,000	129,815,000	139,396,000	123,319,000	104,168,000
Oper. expenses ...	65,290,000	87,389,000	93,150,000	80,021,000	67,468,000
Ratio ...	(66.04%)	(67.32%)	(66.82%)	(64.89%)	(64.78%)
Net receipts ...	33,575,000	42,426,000	46,246,000	43,298,000	36,700,000
Misc. income ...	9,475,000	6,472,000	7,844,000	6,263,000	7,720,000
Net income ...	43,050,000	48,898,000	54,090,000	49,561,000	44,420,000
Interest charges	10,447,000	10,227,000	10,876,000	10,525,000	10,011,000
Pension fund ...	125,000	125,000	125,000	125,000	80,000
Net profit ...	32,478,000	38,546,000	43,089,000	38,911,000	34,329,000
Div. on 4% Pref. ...	3,219,000	3,109,000	2,960,000	2,592,000	2,254,000
Profit for Ord. ...	29,259,000	35,437,000	40,129,000	36,319,000	32,075,000
Equal to % ...	(11.25%)	(14.46%)	(18.69%)	(20.45%)	(17.77%)
Dividend on Ord. ...	26,000,000	24,500,000	21,420,000	17,759,000	17,100,000
Do. % ...	(10%)	(10%)	(10%)	(10%)	(9½%)
Surplus ...	3,259,000	10,937,000	18,709,000	18,560,000	14,975,000

It will be noted from the above that the decline of \$30,950,000 which occurred in gross earnings last year was accompanied by a reduction of \$22,099,000 in operating expenses, and that therefore net earnings showed a shrinkage of \$8,850,000. Unfortunately, the monthly revenue statements of the undertaking contain no particulars as to the amounts expended on maintenance of the road and equipment, conducting transportation, &c., and therefore until the annual report is issued one is unable to ascertain under what heads the reductions in expenses have been effected.

The income of the past year from miscellaneous sources is particularly interesting, as an addition of \$2,381,000 is shown notwithstanding the decline of \$622,000 in net earnings from Pacific Coast steamships, &c., referred to above. Thus an extra \$3,000,000 has been derived from other sources, and inasmuch as income from land sales possibly shows shrinkage, and little or no change has occurred in interest on investments, the improvement in revenue may be attributed to benefit derived from operations connected with the War, more especially from steamships. It is computed that over 90 per cent. of the Canadian Pacific's fleet of steamers is in the service of the British Admiralty, and that, as the vessels have been taken over on a fixed per-ton-per-month compensation, they are bringing in much more than they would do in their regular freight and passenger service. The British Government, it is understood, has agreed to return the ships to the Company in a similar state of repair to that which they were in at the time they were taken over. After paying the 3 per cent. dividend for the past year there is a balance of \$6,266,000 in hand on special income account, as will be seen from the statement given below:—

Special Income Account of Canadian Pacific Railway.

	1914-15	1913-14	Inc. or Dec.
Net earnings of Pacific Coast steamship, commercial telegraph, and news-reporting	\$ 1,434,000	\$ 2,116,700	- 682,700
Income from other sources	2,170,000	6,172,000	+ 3,003,000
Total	10,969,000	8,538,000	+ 2,331,000
= % on Ordinary stock	(4.22%)	(3.50%)	+ (.72%)
3% dividend on Ordinary	7,800,000	7,350,000	+ 450,000
Balance	3,169,000	1,238,000	+ 1,931,000
Brought forward	3,907,000	1,809,000	+ 1,238,000
Carried forward	6,266,000	3,097,000	+ 3,169,000

We refrain from dealing further with the affairs of this great Corporation until we have before us the full report for the past year. We would, however, mention that conditions generally in Canada are showing distinct signs of improvement, and that bumper crops are now being harvested, in some sections of the country the yield being estimated at 50 per cent. or 60 per cent. larger than a year ago. The price of Canadian Pacific Ordinary stock is 161½, and, allowing for accrued dividend and exchange, the return afforded from the 10 per cent. dividend is 6½ per cent.

HOME RAILWAY DIVIDENDS.  
CALEDONIAN RAILWAY.

THE dividend at the rate of 3 per cent. announced on Caledonian Ordinary is what was expected, and compares with similar rates of distribution for the first halves of the three previous years. This is just sufficient to provide the half-yearly dividend on the 3% Preferred stock. Prior to the compilation of annual accounts, small dividends were paid on the Deferred stock when earned in the June half-year, but under the new system of accounting the directors await the results for the full year before making any distribution on the Deferred. For the December half of 1914 the Ordinary received at the rate of 3¼ per cent. against 4 per cent., and for the whole of 1914 the dividend was 3⅜ per cent. against 3½ per cent. Although for the current year the railway is being operated by the Government on the basis of net receipts similar to those for 1913, when the net receipts were about £15,000 higher than for 1914, the obligation to provide 25 per cent. of the war bonus to employees and the additional interest charges that have to be borne, so far as can be gauged, will reduce the profit for 1915 to a somewhat lower level than for last year, when it amounted to £623,000, a sum just equal to the dividend requirements. It is possible, therefore, that the final dividend for the year on the Ordinary may be no higher than 3½ per cent., making 3¼ per cent. for the year, which would give one-fourth of 1 per cent. to the Deferred for the twelve months, and that any surplus of profit beyond the amount needed to pay this dividend would be added to the balance carried forward. The price of the Ordinary stock is now 47, and if the year's dividend is 3¼ per cent. the yield would be £6 18s. 4d. per cent. Should the dividend be the same as last year, namely, 3⅜ per cent., the yield would be £7 3s. 7d. per cent. At the price of 42 the return on the 3% Preferred stock is £7 2s. 10d. per cent. The Deferred stands at 8½, at which the yield from a dividend of ¼ per cent. would be practically 3 per cent., while from a dividend of ⅜ per cent. the return would be nearly 4½ per cent. The course of the dividends paid during the last twelve years is shown below:—

Caledonian Ordinary.

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4
2nd half...	3½	4	3½	3½	3½	3	3	3½	4	4	4	4
1st half...	3	3	3½	3	3½	3	3	3½	3½	3½	3½	3½
Year ...	3½	3½	3½	3½	3½	3	3	3½	4	3½	3½	3½

Caledonian Deferred.

2nd half...	½	1	¾	½	½	Nil	Nil	Nil	½	1½	1	1
1st half...	Nil	Nil	Nil	Nil	½	½	Nil	Nil	½	½	½	½
Year ...	½	½	¾	½	½	Nil	Nil	½	1	½	½	½

Dividend for 5 months to Dec. 31.

† Dividend for 6 months to June 30.

GLASGOW AND SOUTH WESTERN.

Twelve months ago the Scottish Railway Companies adopted a conservative dividend policy in consequence of the outbreak of war and the uncertainty of the outlook. The Glasgow and South Western Company distributed at the rate of 3 per cent. per annum on its Undivided stock, giving ½ per cent. on the Deferred as against distributions of 4¼ per cent. and 2½ per cent. respectively in the corresponding period of the preceding year. These smaller interim payments were partially made good in the December period, and for the whole of 1914 the Undivided stock received a distribution of 4½ per cent. against 5½ per cent., and the Deferred stock 2 per cent. against 2½ per cent. This year the Company is paying an interim dividend on the Undivided stock of 3½ per cent., giving 1 per cent. on the Deferred, and whilst these distributions are better than those of twelve months ago, it is improbable that the larger final dividend of 1914 will be repeated six months hence. However, the Company will have no difficulty apparently in maintaining the rates for the year at the level of 1914. Last year's net profit amounted to £286,000, a sum sufficient to pay the dividend of 4½ per cent. with a surplus of £11,000. This year the Company will have to receive from the Government an extra £3,000 in order to bring its net revenue up to the 1913 level; but against this it has to provide its proportion of the war bonus, which may cost it an additional £8,000 to £9,000 and any increase in capital charges. These latter we calculate will absorb a further £5,000, so that the net result will be a decrease on last year's profit of £10,000 to £11,000, and the sum available for distribution will be about £275,000, or just sufficient to maintain the dividend at 4½ per cent. The higher dividends of 1913 were, it will be recollected, partially provided out of reserve, the sum of £20,000 being transferred therefrom for the purpose. Recent dividend declarations have been as under:—

Glasgow and South-Western Undivided Ordinary.

	1914-15.	'13-14.	'12-13.	'11-12.	'10-11.	'09-10.	'08-9.	'07-8.	'06-7.	'05-6.	'04-5.	'03-4
2nd half...	6	5½	5	5	4½	3½	3½	3½	3½	4½	4	4½
1st half...	3½	3	4½	4½	4½	4½	3½	3½	4	4½	4	4
Year ...	4½	4½	4½	4½	4½	4	3½	3½	3½	4½	4	4½

Glasgow and South-Western Deferred.

2nd half...	3½	3	2½	2½	2½	1½	1	1	1½	1½	1½	1½
1st half...	1	½	2½	2½	2½	1½	1	½	1½	1½	1½	1½
Year ...	2½	1½	2½	2½	2½	1½	1	½	1½	1½	1½	1½

\* Dividend for 5 months to Dec. 31. † 6 months to June 30, 1913.

The 2½% Preferred Ordinary stock is quoted at 46½, and allowing for accrued dividend a yield of over £5½ per cent. is forthcoming. The price of the Deferred stock is about 29, and on a 2½ per cent. dividend basis, which is the rate of distribution for the past twelve months, the yield afforded is over £8 per cent. If 2 per cent. only is paid for 1915 the return to the investor would still be as high as £7 2s. 10d. per cent.

CORDOBA CENTRAL RAILWAY.

THE past year has been a particularly unfortunate one for the Cordoba Central Railway. For several months prior to the outbreak of war the Company had been losing traffic somewhat heavily, owing to the trade stagnation caused by the universal monetary stringency resulting from the Balkan wars. It was generally recognised that the Company, in common with the other Argentine railway undertakings, was in for a bad time; but, having regard to the agreement entered into with the Argentine Railway Company at the end of 1912, whereby a large additional net income was guaranteed to the Cordoba Central, hopes were entertained that the Company would come through the ordeal with comparative ease. Unfortunately, the Argentine Railway Company was unable to withstand the crisis, and the agreement had to be cancelled, after being in force for eighteen months only. This agreement gave control to the Argen-

tine Railway Company of the amalgamated Cordoba Central system, and in return it guaranteed additional net traffic to the Company of the value of £125,000 per annum for the first three years, rising to £220,000 per annum on and after the year 1924-25. The arrangement took effect as from January 1, 1913, and in the first six months of working—i.e. to June 30, 1913—the Cordoba Central received from the guarantors a net sum of £54,000, which enabled the stipulated dividend of  $2\frac{1}{2}$  per cent. to be paid on the Ordinary Income stock. In the twelve months to June 30, 1914, the net value of the additional traffic given by the Argentine Railway Company under its guarantee amounted to £18,370, leaving a deficiency of £106,630 to be made good by them in cash. As this deficiency could not be provided in cash, the Cordoba Central agreed to accept from the Argentine Railway Company 5,000 fully-paid shares of 500 francs each of the Compagnie Française de Chemins de Fer de la Province de Santa Fé, equivalent in nominal amount to £100,000, in settlement of all outstanding claims as at June 30, 1914, the conditions being that the agreement was to be cancelled. The Santa Fé Railway is a line of 1,169 miles, and is connected with the Cordoba Central system in the province of Santa Fé. It has in the past enjoyed considerable prosperity, having in the last three years paid dividends of  $4\frac{1}{4}$  per cent., 8 per cent., and  $7\frac{1}{2}$  per cent. respectively to its shareholders. The settlement was undoubtedly an equitable one, as the shares, prior to the War, commanded a substantial premium, and should again appreciate in value when the War is over. The board have set aside 2,000 of the Santa Fé Railway shares, equal in nominal amount to £40,000, to renewals account, and have placed the balance of 3,000 shares, representing a nominal value of £60,000, to the credit of the holders of the Ordinary Income stock, to be held until such time as they can be disposed of.

Since July 1 of last year, therefore, the Cordoba Central has been working on its own, and, having regard to the heavy falling off in earnings, it looks as though the shareholders, both Preference and Ordinary, will have to go without a dividend in respect of the past twelve months. The interim distributions were passed in April last, owing to the heavy decrease in traffics, and, although there has since been a partial recovery, the increase has been relatively small, and the situation at the end of the year was practically the same as in the spring. At the end of April the decline in receipts was about £300,000, and by June 30 the decrease was still well over £270,000, or nearly 14 per cent. It may be noted in passing that this is the first set-back—at any rate so far as gross receipts are concerned—experienced by the Company for the last dozen years or more. That the recovery in earnings has not been greater in the last few months is due to the fact that wheat and oats form a quite insignificant traffic over the line, and, although the crops have been large and in great demand, the falling off in imports and in general goods has almost counterbalanced the increased transport of grain. To what extent this decrease in earnings has been offset by reductions in expenditure remains to be seen. But as with the other Argentine railways, the Cordoba Central has doubtless been able to effect important economies in the cost of working. The amalgamation of the three lines now forming the Cordoba Central system immediately resulted in greater economy of operation, and whereas in 1911-12, prior to the fusion, the ratio of expenses to receipts was as high as 72.95 per cent., in 1913-14 it was reduced to 68.46 per cent. A further reduction may be anticipated in respect of the past year, and it is not improbable that a saving of something like £200,000 in the total expenses has been effected, which would further reduce the ratio to about 67.56 per cent. In any case, this is what the Company will have to do in order to provide its Debenture and other charges in full. Larger amounts of stock have ranked throughout the year, requiring extra interest payments, and the issue of

£300,000 6% Notes in December last means an immediate addition to the prior charges of, probably, £10,000. Against this, however, the Company will receive a larger miscellaneous income by reason of its holding of Debenture stock and Preferred shares of the Tucuman Tramways, Light and Power Company, and will also have less to pay in respect of miscellaneous charges, owing to the settlement of liabilities which in the preceding year cost a considerable sum to finance. In brief, we look for an increase in capital charges on balance of about £60,000, against which the Company may receive about £8,000 extra in the shape of miscellaneous income. As last year's fixed charges amounted to £500,000, the sum to be provided in this respect for the past twelve months will be approximately £560,000. Deducting from this the sum of £9,000 as representing miscellaneous credits, as against under £1,000 in 1913-14, the total net earnings of the year must amount to at least £551,000 for interest charges to be covered. In other words, with gross earnings of £1,698,000, or £270,000 smaller than in the preceding year, expenses must be reduced by £200,000 to £1,147,000, leaving the net earnings £70,000 smaller than in 1913-14 at about £551,000. That the calculation may be followed we set the figures out below:—

*Cordoba Central Railway.*

	Year—1914-15*		Six mos. to June 30,	
	1913-14	1912-13	1913	1912-13
	£	£	£	£
Gross receipts ... ..	1,698,000	1,969,020	931,425	1,910,053
Working expenses ... ..	1,147,000	1,347,998	640,836	1,363,700
Ratio ... ..	(67.56)	(68.46)	(68.80)	(71.40)
Net earnings ... ..	551,000	621,022	290,589	546,353
Miscellaneous ... ..	9,000	828	7,103	—
From Argentine Railway Co., as traffic equivalent ... ..	—	—	53,985	—
Total net income ... ..	560,000	621,850	351,677	—
Debenture interest ... ..	555,000	490,586	221,726	—
Miscellaneous charges ... ..	5,000	9,498	20,383	—
Total charges ... ..	560,000	500,084	242,124	—
Net profit ... ..	Nil	121,766	109,553	—
5% First Preference stock ... ..	—	71,999	35,999	—
Balance for Second Preference ... ..	—	49,767	73,554	—
5% Second Preference stock ... ..	Nil	48,092	24,046	—
Balance for Ordinary ... ..	—	1,674	49,505	—
Ordinary dividend ... ..	Nil	Nil	49,508	—
			(2 $\frac{1}{2}$ %)	

\* Estimated.

Whilst we have no doubt that the Company will succeed in earning its interest charges in full in respect of the past twelve months, our calculation clearly shows that little, if any, profit can be expected for division among the shareholders, and that temporarily, at any rate, the First and Second Preference stockholders will have to go without a distribution. A resumption of dividend payments may, however, not be long delayed. In the first place, the crop position could not be better, and, secondly, the financial and economic outlook in Argentina is one of considerable promise. The maize harvest now being marketed is a large one, and as the Company is a big carrier of the cereal, business in this respect should be brisk for several months to come. Sugar, too, which forms a very important source of revenue to the Company, is yielding a good crop, and as the demand is great a large and profitable revenue should be secured as the months pass by. The falling off in imports and in general goods may continue for a time, but as Argentina is obtaining high prices for its produce, which, fortunately is very abundant, the financial and economic situation is steadily righting itself, and business generally is recovering. As trade revives and the wealth of the country increases so also will the general traffic over the railways grow in volume, and in the not distant future both up and down traffic may be very abundant. It should, moreover, be appreciated that from now onwards earnings will compare with the very poor takes of a year ago, when, as a result of the War, trade for a time was completely

paralysed. It may, therefore, be confidently anticipated that in the coming months a marked recovery in earnings will be witnessed, and that twelve months hence the Company will be in a much more prosperous condition than it is at the moment.

Looking to the more distant future, it must be borne in mind that the Company is still in its infancy as a trunk-line system in direct communication with the city of Buenos Ayres, and given fair average crops in the next few years and more normal conditions generally marked progress should be made. For many years prior to amalgamation the Company worked under great difficulties. It suffered from keen competition, and was at a disadvantage with its competitors owing to the obsolete condition of a large portion of its equipment and the costly nature of its working operations. All this has been changed in the last few years. The line has been extended to Buenos Ayres, and a large amount of money has been spent in reorganising and improving the system. Since 1909 the total amount of cash applied to betterment and additions has been no less than £3,200,000, and whilst the growth in earnings and in profits prior to the outbreak of war was certainly substantial, the full benefit of these large expenditures has yet to be experienced. To show the development of the system in recent years notwithstanding the many disadvantages under which the Company laboured we append herewith a comparison of the main results of working since 1902-03:—

*Cordoba Central Railway.*

Year to June 30	Miles Open	Gross Earnings £	Expenses £	Ratio %	Net Earnings £
1915*	1,186	1,698,000	1,139,000	67.08	559,000
1914	1,184	1,969,000	1,348,000	68.46	621,000
1913	1,175	1,910,000	1,364,000	71.40	546,000
1912	1,172	1,644,000	1,199,000	72.95	445,000
1911	1,170	1,530,000	1,000,000	65.36	530,000
1910	1,149	1,320,000	912,000	69.05	408,000
1909	952	1,030,000	685,000	66.33	425,000
1908	952	1,014,000	625,000	61.33	389,000
1907	952	939,000	579,000	61.66	360,000
1906	952	930,000	566,000	60.86	364,000
1905	952	834,000	498,000	59.71	336,000
1904	952	778,000	449,000	57.71	329,000
1903	952	635,000	404,000	63.62	231,000

\* Estimated

The set-back caused by the War is, of course, unfortunate, as it has meant delay in reaping the reward of the recent betterment policy, but now that the tide is turning and the prospects for Argentina are so much more hopeful the prosperity of the undertaking should quickly recover, and a resumption of dividends upon the share capital may not be long delayed. The fall in the prices of the Company's securities has been heavy, and for those who are willing to run a moderate risk in the hope of making considerable profit ultimately the time seems opportune to acquire the promising investments which the securities of the Company undoubtedly afford at their current low quotations. The 4% First Debenture stock, for instance, can be bought to yield £6½ per cent., whilst the 6% 3-year notes, which are redeemable at par in December 1917, give a return of over £6½. The dividend on the First Preference stock, it should be noted is cumulative, so that if passed this year will have to be made good subsequently. The price is about 50.

The capital of the Company and the approximate prices of the various securities at the present time are set out beneath:—

*Cordoba Central Railway Company.*

Security	Amount £	Interest %	Price	Yield £ s. d.
4% First Debenture stock	8,000,000	4	63	6 10 7
4½% Second Debenture stock	5,000,000	4½	58	7 17 3
6% Three-year Notes	300,000	6	92	6 14 10
5% Cum. First Pref. Income stock	1,440,000	—	50	—
5% Second Pref. Income stock	961,895	—	36	—
Do. 1916 Scrip (a) ...	700,000	—	34	—
Ordinary Income stock	3,961,136	—	18½	—
Do. 1917 Scrip (b) ...	107,424	—	—	—
Total capital	20,470,515	—	—	—

(a) Does not rank for interest until July 1, 1916.  
(b) Does not rank for interest until July 1, 1917.

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## Insurance Notes.

EQUITY AND LAW LIFE ASSURANCE SOCIETY.

ANNUAL REPORT AND QUINQUENNIAL VALUATION.

The annual report for 1914 presented by the directors of this life office deals with the last twelve months of a quinquennial valuation period. In such a year an enlarged new business is of frequent occurrence, for under ordinary circumstances the proximity of a bonus declaration stimulates the demand for new policies and temporarily enhances the attractions of a life office. Indeed, the directors state that during the first half of the year the new business transacted was in excess of that for the same period of any other year of the quinquennium, and that thereafter the prospects for the remainder of the year were good. Owing, however, to the unsettled conditions arising from the War, and the fact that many of the supporters of the Society were serving with the Forces, and that the directors did not deem it advisable to encourage proposals for new assurances on the lives of those proceeding to the Front, there was a fall in the amount of business transacted after the outbreak of hostilities. The gross total amount assured by new policies issued by the Society in 1914, all transacted within the United Kingdom, was £568,308, of which £125,256 was reassured, leaving £443,052 as the Society's net retention at its sole risk, as compared with £587,782 in 1913. The net premium income shows a reduction as compared with the previous year, having fallen from £356,146 to £346,349, and the net amount of assurances in force, after deduction of reassurances, is reduced from £10,540,037 to £10,310,477. Expenses of management absorbed £10 8s. 3d. per £100 of premium income, a very moderate ratio for a commission-paying office. It is the lowest in any year of the quinquennium, the average expense ratio over the period having been about 11 per cent. Apart from war claims, the mortality experience was very favourable. The net death claims amounted to £333,210, and

included in these figures are net claims for £70,000 under policies on the lives of persons who were killed in action. Endowment assurances for £130,681 matured by survivorship. The interest earnings on the life fund amounted to £164,622, apart from profit of £81,736 arising from reversions fallen in and from increase in values of such securities, which, in one form or another, represent nearly one-third of the Society's assets. The directors report that, excluding reversions and capital stock of the Law Reversionary Society, Limited, outstanding premiums, and interest and cash at bank, the funds were invested at the close of the year to produce £4 9s. 3d. per cent. Presumably this is before deduction of income tax.

In accordance with the suggestion contained in a letter from the Board of Trade to the Chairman of the Life Offices' Association, under date December 17, 1914, the Stock Exchange securities (which only represent about one-seventh of the assets) have been written down to the mean market prices as at December 31, 1913, and the other assets are stated to have been reviewed by the directors and adjusted. The net sum written off as depreciation on re-valuation of assets is £80,694, in addition to which £50,000 has been transferred from the life assurance fund to an investments reserve fund. It is stated in the quinquennial valuation report that, as far as can be judged from the dealings that have taken place during January 1915 in stocks held by the Society, there had been a depreciation since December 31, 1913, up till the presentation of that report of about £23,000, which, it will be seen, is less than half the amount of the investments reserve fund. The sums written off securities during the quinquennium, including the amount of depreciation of the funds in reversion on revaluation, has been £151,551, against which there has been a profit of £17,303 from realisation of stocks, &c. The net depreciation is less than 3 per cent. of the assets, which is a less proportion than has been necessary to devote for such purposes over the last quinquennium by the majority of British life offices. After these adjustments the life assurance fund on December 31, 1914, amounted to £4,987,118.

For the purposes of the quinquennial valuation the mortality tables employed were the same as used five years previously—viz., the O<sup>M</sup> Table for all classes of assurance except whole-life policies of more than five years' duration, for which class the O<sup>M</sup> and the O<sup>M(5)</sup> Tables combined were used, that combination giving more stringent reserves than the O<sup>M</sup> Table alone. It is reported that very full reserves in respect of adjustments for loading on limited and commuted policies, immediate payment of claims, extra risks, &c., were made, these reserves being calculated upon a more stringent basis than on any former occasion in the Company's experience. The rates of interest assumed were the same as on the last occasion—viz., 2½ per cent. for assurances and 3 per cent. for annuities.

Apart from the amount of the investments reserve fund, the surplus shown in the life fund by the valuation on these lines amounted to £540,543. Of this the directors decided to transfer £1,500 to a staff pension fund, and to retain £32,999 as a special reserve, leaving £506,044 as the divisible surplus. It is explained that a net sum of £42,298 had been paid as interim bonus on claims during the quinquennium, and that when this sum and interest of £2,824 thereon are taken into account, the total amount of profit divided in respect of the five years under observation is £551,166. Shareholders are entitled to one-tenth of this divisible surplus, and, accordingly, the sum of £55,116 falls to be transferred to the proprietors' fund. A half-yearly dividend for the ensuing five years at the rate of £1 8s. 6d. per share per annum, free of income tax, will be paid thereout. Dividends of similar amounts were paid during the quinquennium which ended on December 31, 1914. The capital, authorised and subscribed, amounts to £1,000,000, of

which £60,000 is paid up, in 10,000 shares of £100, with £6 paid on each.

The policyholders' share of the divisible surplus is equivalent to reversionary bonuses amounting to £683,357 on policies originally assuring £7,842,642. The rates of bonus are reported as ranging from 30s. to 78s. per cent. per annum, according to the class and duration of policy and age of the assured. The sum apportioned to provide these bonuses (£450,927), which is apart from interim bonus paid during the quinquennium, is stated to exceed one-third of the aggregate premiums paid, or assumed to be paid, during the quinquennium in respect of such policies.

The following are specimens of reversionary bonuses, in respect of the quinquennium ended December 31, 1914, now added to policies for £1,000, assuming that previous bonuses have not been surrendered:—

#### (1) Whole-of-life Policies.

Number of Years in Force	Age at Entry							
	30		40		50		60	
5	£	s. d.	£	s. d.	£	s. d.	£	s. d.
10	75	0 0	75	0 0	84	0 0	110	0 0
15	75	0 0	79	0 0	91	10 0	120	10 0
20	77	0 0	83	10 0	97	10 0	128	10 0
25	80	0 0	88	0 0	103	10 0	136	0 0
30	90	10 0	103	10 0	120	10 0	159	10 0
40	107	0 0	121	0 0	145	0 0	—	—
50	128	0 0	145	10 0	—	—	—	—

#### (2) Endowment Assurances Payable at Age 55 or Previous Death.

Number of Years in Force	Age at Entry							
	25		30		35		40	
5	£	s. d.	£	s. d.	£	s. d.	£	s. d.
10	75	0 0	78	10 0	87	10 0	103	0 0
15	77	10 0	83	10 0	93	0 0	110	0 0
20	81	0 0	87	10 0	97	10 0	115	10 0
25	84	10 0	91	0 0	101	10 0	—	—
30	87	10 0	94	0 0	—	—	—	—
35	93	10 0	—	—	—	—	—	—

#### (3) Endowment Assurances Payable at Age 65 or Previous Death.

No. of Years in Force	Age at Entry							
	30		35		40		45	
5	£	s. d.	£	s. d.	£	s. d.	£	s. d.
10	75	0 0	75	10 0	82	0 0	92	0 0
15	76	0 0	80	10 0	87	0 0	98	0 0
20	79	10 0	84	0 0	91	10 0	103	0 0
25	83	0 0	88	0 0	95	10 0	106	10 0
30	86	0 0	91	0 0	98	0 0	—	—
35	92	10 0	97	10 0	—	—	—	—
40	98	10 0	—	—	—	—	—	—

These results show an improvement over those of the last two previous quinquennial declarations in most cases. In 1905 the minimum reversionary bonus declaration per cent. per annum was 20s., in 1910 it was 25s., and in 1915 it is 30s.

## CICELY RUBBER ESTATES.

THE Cicely Rubber Estates are situated near Teluk Anson, Lower Perak, and amounted originally to 1,712 acres. But during the past year a block of 32 acres was resumed by the Government, and a payment of \$1,000 made as compensation. The total area is thus reduced to 1,680 acres, of which 1,245 acres are under rubber, leaving a balance of 435 acres of jungle. The output of dry rubber for the twelve months to March 31, 1915, amounted to 298,265 lb., against 286,437 lb. harvested the previous season. The average gross price realised for the year's production was 2s. 1½d. per lb., and the average net price 1s. 11½d. per lb. These figures compare with 2s. 7½d. per lb. gross and 2s. 5½d. per lb. net for the previous year. Hitherto the Company has only given the average net price secured and the f.o.b. cost, but we are glad to note that this year fuller details are afforded. The cost of production "all-in" works out at 1s. 1.24d. per lb., against 1s. 4.19d. per lb. for the previous year. The reduction in costs is most satisfactory. The f.o.b. cost has dropped from 11.89d. per lb. to 9½d. per lb., and the selling charges have fallen from 2.50d. to 1.83d. per lb. On the other hand the allowance for depreciation has risen from 0.84d. per lb. to 1.20d. per lb. Beyond the "all-in"

cost there is to be taken the cost of war-risk insurance—namely, 0.48d. per lb. of rubber sold. The output of 298,265 lb. has been derived from 78,719 trees, giving a yield of 3.77 lb. per tree, or 360 lb. per acre on the 829 producing acres. The gross profit has amounted to £38,325, as against £48,114, the net profit working out at £10,754, as against £16,108. The dividends are 65 per cent. on the Preference shares and 60 per cent. on the Ordinary shares, as against 82½ per cent. and 77½ per cent. respectively.

The following is an abstract of the profits for each of the past six years:—

Year ended Mar. 31—	1915	1914	1913	1912	1911	1910
Cultivated area (acres)...	1,115	1,199	989	829	829	829
Crop (lb.) ...	298,265	286,487	249,239	217,479	179,700	85,280
Av. price (per lb.) ...	s. d. 2 1 50	s. d. 2 5 25	s. d. 3 9 75	s. d. 4 8	s. d. 5 7½	s. d. 7 4½
Cost "all in" ...	1 1 24	1 4 19	1 2 93½	1 3½	1 2½	—
Net ...	1 6 36	1 1 06	2 6 82	3 4½	4 3½	—
Gross profit ...	£ 38,325	£ 48,114	£ 65,488	£ 66,258	£ 61,162	£ 36,106
Stock ...	7,867	10,878	15,494	13,500	10,881	3,920
Estate expenditure	16,333	18,975	15,435	14,166	10,300	4,509
Directors' fees, &c.	3,371	2,163	1,827	1,294	3,040	1,797
Net profit ...	10,754	16,108	32,732	37,298	36,941	25,880
Preference div. ...	3,900	4,950	9,300	10,800	12,300	8,400
Ordinary div. ...	(60%) 6,000	(77½%) 7,750	(150%) 15,000	(180%) 17,500	(205%) 20,000	(140%) 13,500
Balance ...	854	3,408	8,432	8,998	4,611	3,980
Reserve ...	4,000	3,000	7,000	7,000	6,000	—
Brought forward ...	3,146	408	1,432	1,998	1,359	3,980
Carried forward ...	6,127	6,019	4,587*	3,200*	5,449	1,469
Carried forward ...	7,281	6,427	6,019	5,288	4,090	5,449

\* After deducting directors' commission.  
† f.o.b. cost.

While we further set out a statement of the dividends paid year by year on both classes of capital:—

Year ended Mar. 31	Dividend	Pref. Shares	Ord. Shares
1915 ...	...	65	60
1914 ...	...	82½	77½
1913 ...	...	155	150
1912 ...	...	180	175
1911 ...	...	205	200
1910 ...	...	140	135
1909 ...	...	55	50
1908 ...	...	42½	37½
1907 ...	...	20	15
1906 ...	...	10	5
Total ...	...	955	905

The Company is capitalised at a very low figure, the total capital in issue being only £16,000, while there is shown a reserve fund which with the allocation of £4,000 from the profits of last year will amount to £35,000. The total property account stands in at £52,539, working out at a price of £42 per acre. The following shows the position as at March 31 last:—

LIABILITIES.	£	ASSETS.	£
Issued capital ...	16,000	Property ...	52,539
Reserve ...	31,000	Sundry debtors, &c. ...	591
Sundry creditors ...	1,490	Stock and stores ...	6,730
Profit and loss ...	13,830	Cash ...	2,400
	62,320		62,320

At the meeting the Chairman announced that the capital expenditure with the present year's allocation will practically cease. The whole of the property is planted up, and some new land will be coming into bearing in about two years' time. The estimated crop for the present year is 340,000 lb., and it is expected that the f.o.b. cost will only be 6d. per lb., as against 9½d. per lb. last year. Altogether, therefore, the shareholders may very confidently anticipate much larger distributions for the current year. The average price per lb. received will probably be larger and the costs less, so that there should be little difficulty in securing a net profit of 1s. 6d. per lb., and this on the estimated crop of 340,000 lb. would give a total of £25,500, which would permit of a distribution of 150 per cent. on the capital. It will thus be seen that a very substantial increase on the distribution for last year may be looked for, and, as at the present price of 14s. 6d. for the 2s. share on the basis of the 60 per cent. paid last year a yield of £8 5s. 5d. per cent. may be obtained, the shares are distinctly attractive. Unless anything totally unforeseen should arise, with a possibly doubled dividend the yield would be very substantial and a rise in capital value should be witnessed.

## NOBEL-DYNAMITE TRUST REORGANISATION.

At the annual meeting of the Nobel-Dynamite Trust Company on June 4, the Chairman dealt with the somewhat anomalous position of the Trust, arising from the fact that one of the principal constituent companies was a German concern, and pointed out that permission had been obtained from the British Government for opening of negotiations through the intermediary of neutrals for the disposal of the German branch of the enterprise. Subsequently, through another neutral channel, a proposal was received from German bankers, acting in conjunction with the leading directors of the German subsidiary companies, corresponding very closely to the tentative proposals of the board, showing that the necessity of separation was as acutely felt in Germany as it was on this side. At the date of the meeting the scheme had been placed before the British Government and their decision was awaited. The Chairman added: "I think it is right to inform you that such a segregation would virtually render the continued existence of the Trust Company unnecessary, and it will be proposed that it be put into liquidation, the British assets being represented by shares of Nobel's Explosives Company, Limited, of Glasgow."

Subsequently the Nobel's Explosives Company took power to increase its capital by the creation of 1,000,000 Preference shares of £1 each and 1,000,000 Ordinary shares of £1 each, together with 1,000,000 new shares of £1 each, "to be issued at such times and on such terms as the directors may deem expedient," the new capital bringing the authorised amount up to £4,000,000.

A circular has now been issued by the Trust Company, pointing out that the negotiations for the sale of the German interests of the Company have now been concluded with the sanction of the British Government, and extraordinary general meetings have been summoned for August 25 and September 9 next for the purpose of giving effect to the arrangement. An agreement has been entered into between the Trust and the Norddeutsche Bank in Hamburg, and provides for the sale to the Bank of the Trust Company's German interests in consideration of the Bank surrendering £1,800,000 of the Ordinary shares of the Company cum dividend to April 30, 1915, or paying compensation for each share short delivered. The exact number of shares available in Germany is not yet known, but the figure is estimated at approximately 150,000, which has been fixed as the minimum to be surrendered by the Bank. The compensation payments will be met by the acquisition of certain interests held by the Germans in this country. The result will, therefore, be that the holders of at least 150,000 of the Ordinary shares of the Trust Company will have their rights of participation in the assets satisfied by the transfer of the German interests, thus leaving the £1,000,000 of Preference capital and a maximum of £1,500,000 of the Ordinary capital to be represented by the British assets of the Company. These assets will consist mainly of the holdings in the shares of Nobel's Explosives Company, Limited, of Glasgow, and the investments in the Alliance Explosives Company, Limited, and the Australian Explosives and Chemical Company, Limited. This being the case the board considers there is not sufficient justification for the continuance of the Trust Company, and accordingly they have decided to recommend that the Trust Company be wound up and its British assets transferred to the Nobel's Explosives Company, Limited, in exchange for shares in that Company.

Accordingly, the shareholders are asked to sanction an agreement providing for the transfer to Nobel's Explosives Company, Limited, of the residue of the British assets, in exchange for a sufficient number of Ordinary shares of £1 each of that Company to be issued at par and credited as fully paid, which, with

the shares already held by the Trust, will enable the liquidators to give the Ordinary shareholders of the Trust Company 12 Ordinary shares of £1 each of Nobel's Explosives Company, Limited, for every £10 of Ordinary capital of the Trust Company at present held. The present £10 Preference shares of the Trust Company will be converted into 10 Preference shares of £1 each of Nobel's Explosives Company, Limited. The new Preference shares will be entitled to a fixed cumulative preferential dividend of 5 per cent. per annum, the same rate to which they are entitled, and will rank both as to capital and dividend in priority to the Ordinary capital. The Trust Company has no Debenture capital in issue, but the Explosives Company, which is one of the companies originally merged into the Trust Company, has a Debenture issue of £500,000. The average profits of the Company during the last five years have been sufficient to cover the dividend required for the Preference capital five times over. Both classes of shares will be registered, and they will rank for dividend as from January 1, 1915. The first Preference dividend, being for the twelve months ending December 31, 1915, will be payable on February 1, 1916, and subsequent Preference dividends will be payable half-yearly at August 1 and February 1 in each year. This will give Preference shareholders an extra four months interest on their capital for 1915. It may be added in passing that of late years the Preference dividend of the Trust Company has been covered more than seven times over. The Explosives Company, in addition to its Debenture capital of £500,000, will have an issued share capital of £1,000,000 of Preference shares and about £1,800,000 of Ordinary shares, the latter figure being dependent on the number of shares of the Trust Company remaining for exchange after the German transaction is completed.

It is, we imagine, scarcely necessary to point out that the Trust Company has had a very successful and prosperous career. During late years the total profits have averaged nearly £400,000 per annum, and for many years past a dividend of 10 per cent. has been paid on the Ordinary share capital of £300,000.

In order to show the strong position occupied by the Company we set out herewith a comparison of some of the details of the accounts for the past seven years—namely, the amount of capital in issue at the end of the year, the reserve fund, the total loans to subsidiary companies, the cash in hand and amounts due by subsidiary companies, together with dividends on shares in these companies which are lumped together in the accounts, and the outlay on capital account, which represents the purchase of shares and other interests in dynamite and explosive companies.

The figures are as follows:—

Date	Capital	Reserve Fund	Loans to Subsidiary Companies	Cash : Amounts Due by Subsidiary Companies, &c.	Outlay on Capital Account
April 30	£	£	£	£	£
1915 ...	4,600,000	800,000	2,414,400	207,607	2,568,946
1914 ...	3,880,435	700,000	2,198,400	445,023	2,568,946
1913 ...	3,285,400	600,000	1,175,000	511,887	2,568,946
1912 ...	3,285,400	500,000	1,175,000	408,031	2,568,946
1911 ...	3,285,400	450,000	1,065,000	417,245	2,568,946
1910 ...	3,285,400	380,000	1,068,000	346,564	2,568,946
1909 ...	3,285,400	380,000	1,079,000	302,650	2,568,946

The liabilities and assets as at April 30 last are appended:—

LIABILITIES.		ASSETS.	
	£		£
Issued capital :			
5% Cum. Preference shares	1,000,000	Cash and amounts due by	
Ordinary shares ...	3,000,000	British and German Sub-	
Premium ...	335,224	sidary Companies ...	207,607
Reserve fund ...	800,000	Loans ...	2,414,401
Sundry creditors ...	17,135	Capital expenditure, &c. ...	2,569,146
Profit and loss ...	49,295		
	5,191,154		5,191,154

After payment of the dividend on the Ordinary capital the reserve fund still stands at £500,000.

There is little doubt that the Company in its new form will be as prosperous as it has hitherto been, and, though it is divested of the substantial German interest, the possibilities for expansion in the British Empire are extremely large, and the shareholders should regard the future with every confidence. It is certainly satisfactory that it has been found possible to come to

an arrangement with the German Company as set forth in the scheme, and doubtless the shareholders will approve with all cordiality the proposals that are put forward for their sanction.

### BASS, RATCLIFF AND GRETTON, LTD.

THE brewing industry is very sensitive to ordinary trade conditions, and the consumption of alcoholic liquors varies with the ebb and flow of trade expansion and contraction. Since the outbreak of war, of course, ordinary trade conditions have vanished, and while in certain districts and with certain industries trade has been exceptionally active, in other directions war conditions have proved distinctly adverse. Consequently, where trade has been exceptionally active for a time, at any rate, the consumption of beer was largely increased, but as an offset the various legal restrictions as to the hours of opening of public-houses led to a reduction in the consumption. The trade of Bass, Ratcliff and Gretton, Limited, is not confined to one or two particular districts, but extends over the whole of the country. Not only so, but a very large export trade is done. When, therefore, the general disturbance to industry at home is taken into account, and the disturbance to foreign trade, as exemplified in the rise of freights, is considered, it is not surprising that the profits of the Company for the twelve months to June 30, 1915, show a falling-off as compared with those for the previous twelve months; and, indeed, the gross profit on sales for the past year is the smallest shown by the Company since it adopted the policy of publishing its accounts. The directors' report points out that "the conditions of the past year have been abnormal, and many economies have been effected; as the War still continues the directors have adopted a cautious policy in drafting the present balance sheet."

It may be recalled that while the Company was registered as a private concern in 1880, it was reconstructed in January 1888 with the view of facilitating family and other arrangements. In a prospectus issued at this latter date, offering to the public an issue of 4½% Mortgage Debenture stock, it was pointed out that the audited accounts showed during the five years to December 1887 the average annual net profits of the business had exceeded £340,000; while the Excise returns of the barrels of beer brewed during the five years ended September 30, 1887, give the following average results: 1883 to 1887, 945,065 barrels per annum; for the year ended September 30, 1887, the amount brewed was 955,162 barrels. At June 30, 1887, the capital account stood at £2,720,000, after providing for all liabilities, and without taking credit for any goodwill. In a further prospectus dated June 1890, offering an issue of £910,000 of 5% Preference stock to the public, it was pointed out that during the seven years ended June 30, 1889, the average net profits of the business had exceeded £350,000 per annum. The net profits of the year ended June 30, 1889, were £338,470; the Excise returns of the barrels of beer brewed during the seven years ended June 30, 1889, gave an average result of 949,022 barrels per annum; for the year ended June 30, 1889, the amount brewed was 1,009,369 barrels.

Up to 1906 this was practically all the information obtainable about the business, as it was not considered necessary to publish accounts, owing to the fact that the whole of the Ordinary shares were held privately, and the Company was but acting in accordance with the ordinary practice of brewery companies of not publishing accounts. In 1906, for the first time, the balance sheet was made public, and while it was a matter of general understanding that the concern had built up a strong and sound position, it was seen when the figures were available that the Company had in reality secured an even sounder position than was anticipated, and it became evident that it

was enjoying a state of great prosperity. Needless to say, however, the business did not come unscathed through the great period of depression experienced by brewery companies since the South African war, as is already indicated by the fact that while for the seven years to June 1889 average net profits amounted to £350,000 per annum, for the past seven years the average works out nearer £310,000 per annum; while a considerably larger amount of capital has been employed than was the case during the septennium referred to, for not only has the Company issued capital to the public, but it has also set aside large sums for depreciation and built up a large reserve fund.

The total share and loan capital in issue amounts to £4,640,000, while in addition there is a reserve fund which at June 30 last amounted to £550,000, and with an addition of £50,000 from the profits of the year has now been brought up to £600,000. In 1907 the reserve fund amounted to £1,370,000, but in the interval two large sums have been debited against it. From 1888 up to 1908 goodwill stood in the books at £1,360,000, but in consequence of legislation adversely affecting the industry it was considered wise to reduce the goodwill amount to £800,000, thus writing off £560,000, which was debited to the reserve fund. Also, owing to extra taxation, a heavy depreciation occurred in licensed properties, with the result that after a special valuation of the property owned by the Company it was decided to write them down by £503,078, a sum which was likewise provided from the reserve fund. But as sums have been added from profits to the reserve, the fund now amounts, as stated above, to £600,000.

The amounts that have been written off from profits for depreciation of investments, &c., premises, &c., and added to reserve, and the amount written off from reserve, from goodwill and licensed properties, &c., since 1906 may be seen from the following:—

Year ended June 30	Bad and Doubtful Debt Reserves and Depreciation of Investments	Depreciation of Premises, &c.	Written off Licensed Properties, &c., from Reserve	Added to Reserve
1915 ...	45,274	38,269	—	50,000
1914 ...	34,266	39,037	—	50,000
1913 ...	40,032	35,564	—	63,077
1912 ...	39,739	35,411	—	50,000
1911 ...	84,226	34,813	503,078	50,000
1910 ...	76,358	52,286	—	—
1909 ...	175,919	77,815	—	—
1908 ...	172,524	61,863	560,000*	—
1907 ...	112,637	70,464	—	30,000
1906 ...	73,748	55,741	—	20,000

\* Written off goodwill.

We further set out a comparison of the figures contained in the balance sheet of June 30 last, with the corresponding figures of June 30, 1907:—

Balance Sheet, June 30.				
Dr.	1915	1907		
	£	£		
Share and loan capital ...	4,640,000	4,640,000		
Reserve fund ...	550,000	1,370,000		
Sundry creditors ...	490,527	367,900		
Profit and loss account ...	226,264	164,653		
	5,906,791	6,542,556		
Cr.	1915	1907		
	£	£		
Freehold breweries and other premises ...	1,048,637	3,031,018		
Licensed properties and trade loans ...	1,048,763			
Goodwill and trade-marks ...	830,000			
Stocks of barley, malt, hops, ale, coal, casks, &c. ...	999,421	887,895		
Sundry debtors ...	782,933	2,113,879		
Sundry investments ...	1,047,932	346,876		
Cash in hand ...	269,045	162,888		
	5,906,791	6,542,556		

The gross profit on sales for the year to June 30 last amounted to £672,890, as compared with £749,607; sundry income brought in £136,963, as compared with £143,153; so that the total profits were £809,853, as compared with £892,760. The total expenses amounted to £472,264, as compared with £489,877, a substantial reduction occurring in the working expenses, which fell from £333,479 to £303,732. It may be added that the working expenses for the twelve months to June 1908 were £353,209, so that it will be realised that considerable economies

in working have been effected. Twelve months ago the net profit was exceptionally large, and the consequence was that the Ordinary dividend was increased from 10 per cent. to 15 per cent. The result of the fall in profits for the past year is that the Ordinary dividend has been restored to the former rate of 10 per cent. The Company carries forward to the current year a sum of £67,465. The manner of distributing profits for each of the past six years may be seen from the following:—

Year ended June 30.						
	1915	1914	1913	1912	1911	1910
	£	£	£	£	£	£
Gross profit on sales ...	672,890	749,607	707,087	720,809	723,298	715,929
Sundry income ...	136,963	143,153	125,649	118,182	115,411	121,165
Total profits ...	809,853	892,760	832,736	838,991	838,713	837,094
Rents, rates, taxes, insurance and compensation fund ...	43,528	38,743	40,106	39,944	37,845	43,309
Repairs and renewals ...	37,665	40,880	39,414	41,410	40,106	40,648
Depreciation ...	38,269	39,087	35,564	35,411	34,813	52,286
Working expenses ...	303,732	333,479	329,606	325,864	330,547	326,455
Interest ...	2,796	3,421	3,210	3,745	5,144	7,263
Bad debts, bad debt reserve, depreciation on investments, &c. ...	46,274	34,267	40,032	39,739	84,226	76,358
Income tax ...	—	—	—	8,551	10,259	12,197
Total expenses ...	472,264	489,877	487,932	494,664	542,940	558,516
Balance ...	337,589	402,883	344,804	344,327	295,773	278,578
4½% Mort. Debenture Int. ...	61,200	61,200	61,200	61,200	61,200	61,200
3½% "B" Mort. Debenture Int. ...	19,600	19,600	19,600	19,600	19,600	19,600
Preference dividend, 5% ...	68,000	68,000	68,000	68,000	68,000	68,000
Ordinary dividend ...	136,000	204,000	136,000	108,800	108,800	95,200
	(10%)	(15%)	(10%)	(8%)	(8%)	(7%)
Total Int. and div. ...	284,800	352,800	234,800	257,600	257,600	244,000
Balance ...	52,789	50,083	60,004	86,727	38,173	34,578
Brought forward ...	64,616	64,293	67,666	30,939	42,766	8,188
	117,465	114,676	127,670	117,666	80,939	42,766
To reserve ...	50,000	50,000	63,077	50,000	50,000	—
Carried forward ...	67,465	64,676	64,533	67,666	30,939	42,766

It will thus be realised that, in spite of the disturbance to the industry, the results for the past year are distinctly satisfactory, for though the reduction in profit is substantial, yet the Company's position is so strong, and it is so wisely administered, that the reduced profit will be regarded with considerable equanimity. Moreover, it is evident that it was quite possible to maintain the dividend at 15 per cent. had no allocation been made to the reserve fund, by trenching slightly on the very substantial carry-forward. The directors, however, have done wisely in reducing the dividend and placing so substantial an amount to reserve and slightly increasing the undivided profit. With the outlook so uncertain the cautious policy is much to be commended. The Ordinary shares are practically all held by the directors and their friends, so that it is only in the position of the prior securities that the public is directly interested. The three prior stocks—two Debentures and one Preference—are all well secured from both capital and interest point of view. The 4½% First Debenture stock stands at 82, giving a yield of £5 9s. 9d. per cent., which is exceptionally high; the Second Debenture stock at 69½ yields just over 5 per cent.; the Preference stock stands at 89, as compared with 101½ twelve months ago, and gives a return of £5 12s. 4d. per cent. We recapitulate the capital prices and yields attached:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
1,360,000	4½% Mort. Deb. stock ...	100	82	4½	5 9 9
560,000	3½% "B" Mort. Deb. stock ...	100	69½	3½	5 1 1
1,360,000	5% Cum. Pref. stock ...	100	89	5	5 12 4
1,360,000	Ord. shares ...	1	—	10	—

The sixth annual edition of the "Oil and Petroleum Manual" gives particulars relating to 645 companies, and contains a mass of authentic information dealing with the oil industry which cannot be found in so compact a form elsewhere. The price of the book, which is edited and published by Mr. Walter R. Skinner, is 4s. net.

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## Commercial.

### COAL AND STEEL.

BUSINESS, on the whole, is normal in the Scottish coal trade, though there are one or two collieries just saved from absolute idleness by intermittent orders. The output all over has improved. In consequence, prices are rather easier. The effect of a reduced demand on the temperament of the miner may be somewhat unfortunate. If, after all the urgent appeals to his patriotism, he thinks that there is really no reason why he should make increased efforts to raise greater quantities of coal that are not needed, he may relax into his normal output.

Merchants are therefore advising their customers to lay in large stocks for the winter, while maintaining their summer demands. The advice is given, not on the grounds suggested above, but on the more practical grounds that as we advance into the winter there will be a serious shortage of waggons and men, and facilities for land and sea transport will be greatly restricted. The experience of last winter is quoted as an example of what may be expected in the coming short days. And the experience, it is said, will be intensified by reason of the number of railwaymen, lorrymen, and other workers who have joined the Colours since last winter.

Meanwhile, home traders are very much exercised as to the precise effect of the Coal Prices (Limitation) Act. Eminent interpreters of law have been consulted on the point as to whether the four-shillings increase is to be based upon the price at the date on which the contracts were fixed, or on the price

at the date of delivery. Unfortunately, opinions differ on the point, with the result that traders regard the Act as unworkable. The confusion has affected business, as coalowners and agents do not feel quite satisfied as to their position, and are unwilling to enter into contracts on an extensive scale.

An example of the confusion of opinion regarding the effect of the Act may be quoted. On June 20, 1913, one of the largest Scottish corporations entered into their coal contracts at a certain price, delivery to begin a month later. In the course of the year prices fell 2s. lower. If the Act bases the maximum on the former price the corporation will receive nothing; but if on the latter price they will receive about 1s. 6d. a ton.

Another difficulty facing the home trader is the shortage of coastwise tonnage, owing to the wholesale manner in which the Government has taken over the coasting vessels. Freights have increased to such an extent that were the coalowner to quote inclusive of freight his price would exceed the four shillings maximum. The only alternative is to make the customer pay the freight. That will have the effect of causing an increase of profit for the shipowner, since customers whose demands are urgent will outbid each other for tonnage. That, however, cannot be continued *ad infinitum*, and the position will, no doubt, right itself in time.

So much for the home trade. Export business at the moment has a tendency to ease off slightly. Exporter and customer alike are waiting to see the effect which will be produced by the application of the licensing regulation to exports to allied countries. Everyone is in the dark as to how the Committee are going to deal with business on and after Friday, August 13. There is no doubt in any quarter that the licensing regulation will impose a handicap on trade; but the question which is being discussed is, How heavy or how light a handicap will it be? Cross-Channel and sea-going freights are easier, and tonnage, on the whole, is plentiful. Therefore, in spite of the prohibition on exports to certain neutral countries, trade is in a fairly favourable position.

The demand on the steel and iron makers continues on the up grade, and the dearth of skilled labour is being felt more and more as each week passes. Works and mills are being extended wherever possible; but it is obviously useless to make extensions of plant unless there are more hands to work it. Plates are named £9 15s. to £10, and angles £10 5s. As has been so often repeated, however, there is no reliable guide to prices at present, when customers must necessarily pay in accordance with the urgency of their requirements.

### THE TIN POSITION.

THERE seems to be an impression that the fall in tin prices has proceeded sufficiently far, and that reasonable probabilities point now to a period of recovery with a moderately improved range of quotations. The outlook, however, is really obscure, for war influences are cropping up in all sorts of unexpected quarters, and are having unforeseen effects upon the trade. For instance, it is very difficult to ship tin now to a number of Continental countries, Scandinavia in particular being markedly under the ban of the authorities; while an entirely unexpected development has been the practical diversion of the whole of the enormous American trade in tin from the London market to the East. In the days before the War—which now seem so far away—the more important part of the United States business in tin was done on the London market, large quantities of tin being shipped from the East on Europe-American optional bills of lading, transshipment being effected in London; but the War, with the enormously higher freights resulting, to say nothing of the heavy cost of war insurance, combined with the opening of the Panama route, seems almost to have knocked this business on the head. The bulk

of the American trade in tin is now being done direct in Singapore and Penang, and for the time being, whatever may be the case after the War, London is practically a back number as regards America. In any event, no doubt the provision of shipping facilities *via* Panama would have tended to build up altered conditions, but the change resulting jointly from war conditions and the opening of the Panama route has come much more quickly than anybody expected.

The production of tin proceeds quite freely, and at present prices there is every inducement for mine owners to work their properties to the full extent. The exports from the Federated Malay States with comparisons are as follows:—

	1913	1914	1915
	Tons	Tons	Tons
January ... ..	6,084	5,299	5,015
February ... ..	4,544	6,524	5,550
March ... ..	4,809	4,118	5,057
April ... ..	4,397	4,938	4,401
May ... ..	6,103	6,895	6,551
June ... ..	4,821	5,849	6,799
July ... ..	4,770	5,115	5,683
August ... ..	6,035	3,480	—
September ... ..	5,145	5,070	—
October ... ..	5,015	3,785	—
November ... ..	5,550	5,709	—
December ... ..	5,204	6,404	—
Total ... ..	62,467	63,186	—

For the seven completed months of this year the shipments as given total 39,146 tons, against 38,738 tons last year and 35,518 tons in 1913; but the increase this year over last arises from the fact that several hundred tons of Banca tin formerly shipped direct from Batavia to Holland are now, under the altered conditions which obtain, being forwarded to Europe by way of Singapore. There is no sign of any diminished output of tin, and probably no marked alteration in the supply conditions is to be expected in the near future.

Consumption is naturally checked here by the many difficulties which have to be faced by the exporting trades of the United Kingdom, not the least of which centre upon the tinplate business. Tinplate makers have had a very lean time of it of late, mainly owing to the restriction of their business due to export regulations. At the present time Scandinavia and Switzerland are in high disfavour; and the galling part of it is that America is making strong efforts to capture the trade of these neutral markets just at the time when the Welsh manufacturers are being rather hard hit. Dissatisfaction with the condition of affairs in this respect is such that strong representations are being made with the object of having American plates declared contraband of war, the present state of affairs being regarded as unduly prejudicial to the Welsh trade.

The monthly deliveries of tin this year are shown in the following table, not the least curious feature of which is the big drop in the United Kingdom deliveries as between January and July, and the very important increase in those of America over the same period. The Continental deliveries are very irregular, which is only what is to be expected:—

	U.K.	Holland	U.S.A.	Continent	Total
	Tons	Tons	Tons	Tons	Tons
January ... ..	3,144	355	2,545	155	5,839
February ... ..	3,553	1,991	3,820	820	9,984
March ... ..	2,734	149	3,036	650	6,569
April ... ..	1,635	672	3,459	1,519	6,885
May ... ..	2,292	82	6,155	1,341	9,870
June ... ..	2,146	98	3,803	1,327	7,374
July ... ..	1,827	148	5,842	869	8,696

The future of the Tin market undoubtedly depends very much upon the rate at which American consumption will be maintained. Unless America can keep up a bigger average than that of the first four months of this year supplies may prove excessive, and may bring about a still lower range of values; but it is pretty confidently believed that consumption across the Atlantic will be maintained at a very high level so long as the War lasts. There is one point in considering the tin position which deserves to be noticed, which is that the stocks of tin ore in this country have mounted up considerably during the past twelve

months, the reason being, of course, that there is no German outlet now for furnace material, which accordingly all comes to England to find a market. Arrangements are being made for treating large quantities of ore in the United States, but these have not so far reached the practical stage. Germany under ordinary conditions is not only a large consumer of ores, but a large absorber of tin. There are no figures available of the German and Austrian consumption of tin later than the end of 1913, but those which are available are given below:—

	1910	1911	1912	1913
	Metric Tons	Metric Tons	Metric Tons	Metric Tons
Germany ... ..	15,100	15,400	16,900	16,000
Austria ... ..	4,200	4,050	3,780	3,150
Total ... ..	19,300	19,450	20,680	19,150

In so sensitive an article as tin, and one in which supply and demand are usually so nearly balanced, it becomes a matter of considerable importance to determine how far the shutting off of Austria and Germany is likely to cause a radical readjustment of the economical position of the metal. From this standpoint it would appear that caution in taking too strong a view of price probabilities would be quite justified.

## LANCASHIRE COTTON INDUSTRY.

THE month of August is generally a quiet period so far as fresh business is concerned, but the slackness of demand this year seems to be more pronounced than usual. It cannot be said that yarn and cloth, in view of the cost of production, are dear to buy to-day, but operators continue to adopt a cautious policy, and there is no disposition to anticipate distant wants. The American cotton crop is passing through a critical period of its growth, and rather more fluctuations in prices are taking place in New York and Liverpool. At the end of last week the tone was rather "bullish," owing to a lack of moisture in certain parts of the belt,

**Charm Every Care Away**

**Snake Charmer Cigarettes**

for  
**Connoisseurs**

Per Packet  
of Ten

**BOUQUET**

SIZE  
**6<sup>D</sup>**

**QUEEN**

SIZE  
**9<sup>D</sup>**

May be obtained at all the branches of Salmon & Gluckstein, Ltd., or post free from their Warehouse, 2-14, Clarence Street, St. Luke's, London, E.C.

but since then rains have been reported and prices are easier.

The Board of Trade returns have caused a good deal of interest, and it is worth pointing out that the shipments of cloth for July, amounting to 538,617,400 yards, is the biggest total in any month since the beginning of the War. The figures are now available for a full year of the War. During the twelve months ending July 31 our shipments amounted to 4,467,579,000 yards, against 6,966,826,900 yards in the same period of 1913-14. The decline in trade on the year amounts to about 35 per cent. Manufacturers of cloth continue discouraged, and relatively speaking, some of the smaller markets are giving better support than the big outlets of India and China.

Dealers in yarn have been interested in the Board of Trade returns to see what effect the restrictions of the Government have had upon our foreign trade with European countries. Our shipments last month amounted to 13,520,200 lb., against 19,866,300 lb. in July 1914 and 18,590,000 lb. in June this year. It is quite evident smaller supplies are being sent to Holland, Denmark, Sweden and Norway. Shippers this week have reported that more licences are being obtained, but it is said that very little can be done with the Government officials by correspondence, and satisfaction can only be obtained by an interview in London. Our customers in India are fairly well bought, and scarcely seem disposed to purchase further ahead at current rates. Buying in American and Egyptian yarns for home consumption has been limited, and prices are rather irregular. Producers of coarse counts have not much to complain about, but the depression is still very acute in fine numbers.

For many months the shortage of labour has been getting more pronounced in our staple industry, and certain negotiations are now taking place between the employers, the trade union officials, and representatives of the Government with regard to the relaxation and suspension of working rules in the mills during the War. It is proposed that children shall be allowed to work half-time at eleven years of age instead of at twelve as at present, and that the age of young persons should be reduced from eighteen to seventeen years of age. It is hoped in this way to make up for the heavy enlistments in the Army, but it is said the operative spinners are against any alteration.

On Tuesday next the adjourned joint conference between the weaving masters and the operatives' association will be held, when the employers will give a reply to the application for a 5 per cent. war bonus on wages. The matter has been considered by the district associations of the masters, and it is understood the central committee is empowered to deal with the question. In view of the bonus which has been obtained by the workpeople in the spinning department, it is thought that the operative weavers will obtain some concession as to wages.

### GORDON HOTELS, LIMITED.

THE business of the Gordon Hotels has been very seriously affected during the twelve months to May 31 last, the results of the Continental hotels alone resulting in a difference of profits of upwards of £30,000 as compared with the previous year. The Company owns an hotel at Monte Carlo, another at Cannes, and a third at Dieppe. It was decided to open the first two for the usual season, but with the German declaration that submarines would attack all classes of shipping visitors who were going abroad preferred to stay at home, and it consequently became necessary to close the hotels. The hotel at Dieppe was taken over as a military hospital by the French Government on the outbreak of war. Similarly in the English hotels business has been seriously affected, the business of the hotel at Dover being practically at a complete

standstill in consequence of the military having requisitioned the Port of Dover. The hotel at Brighton is the only one of the seaside hotels that shows an improved business over that of the previous year, while as regards the London hotels the decrease in business has been very considerable, the proportionate loss of profit being much larger than in the seaside hotels. It is not surprising, therefore, that the balance of profit only amounts to £26,525, as compared with £98,720 for the previous year, while, after providing for Debenture interest, there is a deficit of £48,509. In order to meet this a sum of £50,807 has been transferred from the reserve fund, after which the Company is able to show a carry-forward of £6,890.

It has been realised for some time past that the Company is considerably over-capitalised, the total share and loan capital in issue amounting to £3,596,000, and naturally this makes the position more difficult than if the position was a strong one with substantial reserves to fall back upon. We append a summary of the liabilities and assets as at May 31 last:—

LIABILITIES.		ASSETS.	
	£		£
Share capital ... ..	1,931,000	Properties, &c. ... ..	3,726,685
Debenture capital ... ..	1,665,000	Investments ... ..	329,231
Sundry creditors ... ..	95,504	Wines, spirits, &c. ... ..	125,992
Loan ... ..	115,000	Sundry debtors ... ..	26,74
Reserve ... ..	285,565	Cash ... ..	57,453
Redemption fund ... ..	167,145		
Profit and loss ... ..	6,891		
	4,266,105		4,266,105

It is satisfactory to find that the board is preparing a scheme for dealing with the over-capitalisation which has weighed heavily upon the Company for some time past. It is certainly desirable that the whole question should be thoroughly overhauled, so that the Company may be placed in the best possible position to meet a return to more normal conditions and better times.



## Bell's "Three Nuns" Tobacco

Mild without being insipid, mellow without over-richness, and at the same time so cool and delightfully fragrant that it brings a deep and lasting content.

A Testing Sample will be forwarded on application to Stephen Mitchell and Son, Branch of the Imperial Tobacco Co. of Great Britain and Ireland, Ltd., Glasgow.

"King's Head" is stronger.

Both are sold at 6½d. per oz. and are obtainable everywhere.

"THREE NUNS" CIGARETTES  
MEDIUM ... .. 3d. for 10

No. 420.

# LEHIGH VALLEY RAILROAD COMPANY.

SEVENTEENTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30, 1915.

Philadelphia, August 3, 1915.

To the Stockholders of the Lehigh Valley Railroad Company.

The board of directors herewith submit the annual report of the business and condition of your Company for the fiscal year ended June 30, 1915.

## MILEAGE.

The first track mileage owned or controlled and operated by the Lehigh Valley Railroad Company, the main line of which is double track, extending from Jersey City, N.J., to Buffalo and Suspension Bridge, N.Y., is as follows:—

	Miles.
Lehigh Valley Railroad Company	316.88
Controlled by owners, but not operated	938.67
Controlled by ownership of major part of capital stock and lease	115.37
operated under lease	27.73
<b>Total mileage operated (owned or controlled)</b>	<b>1,398.65</b>
Trackage rights over railroads owned by other companies	43.71
<b>Total first track mileage</b>	<b>1,442.36</b>

In addition to the above there are 594.86 miles, or 41.24 per cent., of second track, 99.51 miles of third track, 44.84 miles of fourth track, and 1,215.76 miles of yard tracks and sidings, a total of 3,397.33 miles of track in operation at the close of the year. A detailed statement of track mileage is shown on pages 47 to 49 of full Pamphlet Report. The average number of miles of railway operated for the year was 1,443.52, upon which the mileage statistics in certain tables submitted in this report are based.

The total decrease of 1.38 track miles compared with the preceding year is due, in the main, to the deduction of 1.07 miles of trackage rights, the use of which was discontinued during the year.

## OPERATING REVENUES AND EXPENSES.

The following statement sets forth the total revenues and expenses and net revenue from operation for the fiscal year, compared with similar figures for the fiscal year 1914. The complete income account appears on a subsequent page.

The Interstate Commerce Commission having ordered certain further changes in the classification of operating revenues, expenses and income, effective July 1, 1914, it has been necessary, for the purpose of a proper comparison, to re-state the figures for the preceding fiscal year; hence those figures will in many cases be at variance with similar items published in last year's annual report. The principal change is the elimination of outside operations which represent the operations of certain of our water lines, &c., the revenue from which is now included in operating revenues and the expenses in operating expenses. Similar explanation applies with respect to the classification of various items on the balance sheet which has been changed from the balance sheet published in previous years so as to conform with the accounting requirements of the Commission.

	1915.	1914.	Inc. or Dec
<b>Operating Revenues—</b>			
Coal freight	\$19,195,755.50	\$18,528,246.44	+\$667,509.06
Merchandise freight	16,005,501.45	15,541,385.90	+ 463,615.55
Passenger	4,043,799.00	4,795,147.44	- 751,348.44
Mail	195,124.81	195,052.87	+ 71.94
Express	449,622.82	443,971.75	+ 5,651.07
Other transportation	2,022,230.85	2,064,650.04	- 42,419.19
Incidental	613,927.59	602,692.34	+ 11,235.25
<b>Total operating revenues</b>	<b>\$42,525,962.02</b>	<b>\$42,170,646.78</b>	<b>+\$355,315.24</b>
<b>Operating Expenses—</b>			
Maint. of way and structures	\$4,433,924.72	\$4,674,725.37	-\$190,800.65
Maintenance of equipment	8,207,491.18	7,669,793.05	+ 537,698.13
Traffic expenses	959,870.08	1,040,594.15	- 80,764.07
Transportation expenses	15,382,186.83	15,804,058.77	- 421,871.94
General expenses	913,554.73	898,733.86	+ 15,220.87
<b>Total operating expenses</b>	<b>\$29,947,387.54</b>	<b>\$30,087,905.20</b>	<b>-\$140,517.66</b>
<b>Net operating revenue</b>	<b>\$12,578,574.48</b>	<b>\$12,082,741.58</b>	<b>+\$495,832.90</b>
Ratio of oper. exp. to oper. rev.	70.42 %	71.35 %	- .93 %

## OPERATING REVENUES.

**COAL FREIGHT.**—The revenue derived from the transportation of coal and coke amounted to \$19,195,755.50, an increase of \$667,509.06, or 3.60 per cent., as compared with the preceding twelve months. The percentage of coal freight revenue to total operating revenues was 45.14 per cent., an increase of 1.20 per cent. The coal and coke transported, excluding the Company's supply coal, was 16,894,930 tons, an increase of 429,982 tons, or 2.61 per cent. This class of tonnage was 55.82 per cent. of the total tonnage hauled during the year, an increase of .52 per cent.

**MERCHANDISE FREIGHT.**—The transportation of merchandise freight produced a revenue of \$16,005,501.45, an increase of \$463,615.55, or 2.98 per cent., as compared with the preceding year. The revenue derived from the transportation of merchandise freight was 37.64 per cent. of the total operating revenues, an increase of .79 per cent. The tonnage moved, excluding Company's material, was 13,373,771 tons, an increase of 49 per cent.

**GENERAL FREIGHT.**—The total revenue derived from both coal and merchandise freight was \$35,201,256.95, an increase of \$1,131,124.61, or 3.32 per cent., as compared with the preceding twelve months. The entire freight traffic amounted

to 30,268,701 tons, an increase of 495,421 tons, or 1.66 per cent. The number of tons carried one mile was 5,326,328,902, an increase of 140,128,336 ton miles, or 2.70 per cent. The average haul was 175.97 miles, an increase of 1.78 miles, or 1.02 per cent. The average revenue per ton was 116.30 cents, as compared with 114.43 cents last year, an increase of 1.87 cents, or 1.63 per cent. Company's freight, not included in the above, amounted to 3,073,660 tons, a decrease of 62,095 tons, or 1.98 per cent. The total freight train mileage was 8,580,867 miles, an increase of 244,295 miles, or 2.93 per cent. The revenue received per freight train mile was \$4.10, an increase of \$0.01, or .24 per cent. The average trainload of revenue freight was 620.72 tons, a decrease of 1.38 tons, or .22 per cent. Including Company's freight, the average trainload was 643.62 tons, a decrease of 1.57 tons, or .24 per cent.

**PASSENGER.**—The earnings received from passenger traffic amounted to \$4,045,799.00, a decrease of \$751,348.44, or 15.67 per cent., compared with the preceding year. The total number of passengers carried was 5,206,972, a decrease of 522,070, or 9.11 per cent. The number of passengers carried one mile decreased 49,671,062, or 18.72 per cent. The average revenue per passenger was 77.66 cents, a decrease of 6.04 cents, or 7.22 per cent. The average revenue per passenger mile was 1.875 cents, an increase of .068 cent, or 3.76 per cent. The average distance travelled by each passenger was 41.42 miles, a decrease of 4.89 miles, or 10.56 per cent. Passenger train mileage was 4,170,202, a decrease of 225,157 miles, or 5.12 per cent., as compared with a decrease in this revenue of 15.67 per cent. The average revenue from passengers per passenger train mile was 96.97 cents, a decrease of 12.13 cents, or 11.12 per cent.

**MAIL.**—The sum of \$195,124.81 was received from the Federal Government for the transportation of United States mail, an increase of \$71.94.

**EXPRESS.**—The revenue from this class of business amounted to \$449,622.82, an increase of \$5,651.07.

**OTHER TRANSPORTATION.**—The earnings derived from transportation other than shown under the preceding headings were \$2,022,230.85, a decrease of \$41,419.19.

**INCIDENTAL.**—Incidental revenue amounted to \$613,927.59, an increase of \$11,235.25.

## OPERATING EXPENSES.

**MAINTENANCE OF WAY AND STRUCTURES.**—The sum of \$4,433,924.72 was expended for the maintenance of way and structures, a decrease of \$190,800.65, or 4.08 per cent., as compared with the preceding year. A new four-track steel bridge was constructed during the year to replace a double-track steel bridge. Three overhead steel street bridges were raised, in connection with Buffalo Terminal improvements, and additional spans with solid floors were erected. One steel bridge was built in connection with new track construction. Sixteen steel bridges and eleven concrete-steel bridges were placed in the track, replacing light iron or wooden bridges. Three iron and eight wooden bridges were replaced by pipe culverts, and four iron and two wooden bridges were abandoned and the openings filled. One arch culvert was filled and abandoned, and four wooden trestles were substantially shortened by filling. 5,535 tons of 110-lb. rail, 30,549 tons of 100-lb. rail, and 45 tons of 90-lb. rail, together with necessary frogs, switches, &c., were placed in the track. 1,118,810 tie plates and 193,954 anti-rail creepers were used. 1,001,577 cross ties, 2,842,100 feet B.M. switch ties, 637,471 feet B.M. bridge ties, and lumber amounting to 3,511,267 feet B.M. were used. 647,981 of the cross ties, 2,495,412 feet of B.M. of switch ties, and 596,560 feet B.M. of bridge ties were treated with creosote. 65,612 cubic yards of crushed stone were used in ballasting track. 18,197 feet of drain tile were placed in the road-bed. 334.93 miles of copper and 54.50 miles of iron wire were used in extending and renewing the telephone, telegraph, and signal wires on the system.

**MAINTENANCE OF EQUIPMENT.**—The expenditures for the maintenance of equipment amounted to \$8,207,491.18, an increase of \$537,698.13, or 7.01 per cent., as compared with the preceding twelve months. Included therein is a charge of \$1,426,831.06 for the depreciation of equipment, as required by the accounting rules of the Interstate Commerce Commission. Ten worn-out locomotives, one passenger car, three express cars, two fruit cars, 572 freight equipment cars, and 13 road service cars were condemned and either sold or destroyed during the year, and their value written off the books by appropriate charges through operating expenses. Four passenger cars, five express cars, four fruit cars, and one combined baggage and mail car were converted into workmen's cars. Eighteen produce cars were converted into ice cars and fifty freight equipment cars were transferred to road service. Twenty-eight locomotives have been equipped with additional air pumps and 159 with bull's-eye lubricators, to meet the requirements of the Interstate Commerce Commission. Fifty-six locomotives had new fire boxes applied, 115 were

equipped with new cylinders, and nine with new boilers. 275 passenger equipment cars were painted and varnished, and 13 equipped with electric-lighting apparatus. Three dining cars and five milk cars were equipped with steel underframes. Steel underframes were applied to 2,286 wooden freight and coal cars, making a total of 14,658 cars so equipped during the last seven years. Five eight-wheel cabooses were equipped with steel underframes. 12,855 freight equipment cars, one passenger equipment car, and 36 road service cars were equipped with safety appliances to conform to the requirements of the Interstate Commerce Commission. The total number of locomotives on hand at the close of the year was 945, with a tractive power of 30,234,824 lb. The total number of freight equipment cars was 45,459, with a capacity of 1,693,578 tons.

**TRAFFIC EXPENSES.**—The expenditures under this heading amounted to \$959,830.08, a decrease of \$80,764.07, as compared with the preceding twelve months.

**TRANSPORTATION EXPENSES.**—The cost of conducting transportation was \$15,382,186.83, a decrease of \$421,871.94, or 2.67 per cent., as compared with the preceding year, notwithstanding an increase of .84 per cent. in the total operating revenues. The ratio of transportation expenses to total operating revenues was 36.17 per cent., a decrease of 1.31 per cent. as compared with the preceding year.

**GENERAL EXPENSES.**—This class of expenses amounted to \$913,954.73, or 2.15 per cent. of the total operating revenues.

**TAXES.**—The taxes accrued on your property, capital, and business during the year amounted to \$1,797,379.16, an increase of \$36,967.58 over the preceding year.

### ADDITIONS AND BETTERMENTS.

The sum of \$2,974,042.42 was expended during the year for the acquisition of new property and for the improvement and development of existing property, which amount has been charged to Additions and Betterments, as required by the Interstate Commerce Commission. A classified statement of these expenditures appears on page 44 of full Pamphlet Report. Specific mention is made of the more important expenditures, viz.:

The new equipment purchased and added to the property during the year is as follows:—Three passenger locomotives, five switching locomotives, two locomotive tenders, thirty steel passenger coaches, ten steel smoking cars, twenty-five steel baggage cars, two 150-ton steam derricks, two Russell snow ploughs, one caboose, one motor inspection car, and one tank car. A portion of this equipment is covered by the Equipment Trust referred to in full under the heading "Financial." In addition to the foregoing, orders have been placed for ten Pacific type passenger locomotives, five switching locomotives, three locomotive tenders, and twenty steel-underframe milk cars.

During the past fiscal year fifty-three heavy Consolidation type freight locomotives were rebuilt and equipped with superheaters, new cylinders, and Walschaert valve gears. These changes have resulted in a reduced fuel consumption as well as increased efficiency of operation due to the better sustained steaming qualities of the engines.

Work in connection with the new passenger and freight terminals at Buffalo is progressing favourably. The plans for the buildings were approved, contracts awarded, and work commenced on April 14, 1915. It is expected that the freight terminal will be completed and ready for use by November next and the passenger terminal at a later date.

A new open pier 1,060 feet in length and 76 feet in width, equipped with modern ore-handling machinery, together with necessary yard tracks, is being constructed at tidewater near Constable Hook and, when completed, will accommodate steamships of 35-foot draft. The furnaces in the Lehigh Valley region will utilise these facilities for the handling of foreign ores. It is expected that this improvement will be completed early in the spring of 1916.

During the year considerable improvements and additions have been made to the pier stations in the City of New York. A long term lease was concluded with the City for the wharf property on the North River at the foot of Rector Street and your Company is now constructing thereon a new pier 730 feet long and 75 feet wide, with suitable bulkheads on each side, which will be ready for operation about January 1, 1916. This will enable your Company to dispense with the station facilities at Pier 2, which are no longer adequate. The substructure of the new pier will be of concrete above the low-water line and the superstructure will be of steel, the pier section of which will be one storey and the bulkhead section two stories. Pier 44, East River, located between Gouverneur and Jackson Street, has also been acquired under a long term lease from the City and will be equipped with a two-storey steel shed, primarily intended for the handling of flour, the pier being advantageously located in the centre of distribution of that commodity. At the 149th Street station there is now in course of erection a steel building, equipped with automatic sprinkler, for the storage of hay, a commodity which is extensively handled in that locality. At Pier 5, Wallabout, Brooklyn, where your Company previously leased only about one-fourth of the pier, it acquired the entire pier, enlarged the steel shed, and installed an automatic sprinkler system. The acquisition of these additional pier facilities will permit your Company to render improved service to its patrons.

A modern steel and concrete ground-level plant for handling coal from cars to boats, with a capacity of 500 cars in ten hours, is being installed at Tift Farm, Buffalo, and will be ready for service early in August. It will be operated by electricity and will consist of two rocking cradles for unloading box cars and four fixed hoppers for unloading open cars. The coal will be conveyed by apron flights to a telescopic chute in the boat. This installation will reduce breakage of coal to a minimum, will eliminate all fire risk now incident to the high wooden trestle, and also reduce the cost of maintenance.

66,422 feet, or 12.58 miles, of Company's sidings, and 15,787 feet, or 2.99 miles, of industrial sidings, were constructed during the year.

To avoid surface disturbances by reason of mine workings of one of the large anthracite mining companies, a change of line was completed between Espy Run and Newport, a distance of 1.2 miles. In making this change 82 degrees of curvature were eliminated, including a double reverse curve of 6 and 8 degrees respectively.

The car repair yard at Coxton is being re-located in order to provide additional room necessary for car repairs, and at the same time to permit the use of the old car repair tracks for the enlargement of the classification yard. About 8,000 feet of track have been constructed in this connection. The yards at South Plainfield, Perth Amboy, and Oak Island were enlarged, resulting in increased capacities of 41, 174, and 32 cars respectively.

A new fifty-stall fireproof enginehouse, together with a 100-foot electrically operated turntable, is in course of construction at Sayre.

A concrete freight-house was erected at Lehighton. Dwelling-houses of hollow tile and stucco construction, for the accommodation of foremen and labourers, were constructed at Flemington Junction, Ashmore, and Phelps. Extensive improvements were made to the Company dwelling-houses at Delano and to the milk-shipping stations at West Portal, Tioga Centre, and Wysox. A frame shelter was erected at Weequahic Park, Newark, for the accommodation of incoming passengers waiting for trolley cars. In the waiting-rooms of the Wilkes-Barre passenger station a new marbleoid floor was laid and new seating accommodations and electric-light fixtures were installed.

A new 46-foot track scale was installed at South Plainfield.

Eleven gasoline motor cars were purchased for use of section, bridge, signal and telegraph gangs, making a total of 110 now in service.

The improvements in connection with the water supply at Lehighton and Packerton, comprising the construction of a reservoir of five million gallons capacity on Beaver Run and a dam across Mahoning Creek, together with electric pumping machinery and connecting pipe lines, which will afford an independent and ample supply of water for the locomotives and shops at those points, referred to in last year's report, are about one-half completed. A new water station with a 52,500-gallon steel standpipe supplied by gravity was established at Sheldrake Springs.

Automatic disc signals between Slatington and Penn Haven Junction, a distance of 21.3 miles, were replaced with three-position upper-quadrant signals, and the automatic disc signals between Laceyville and Wilkes-Barre, a distance of 49.1 miles, have been renewed with two-position lower-quadrant signals. Extensive improvements were made to the mechanical interlocking plant at Pine Junction.

Visible and audible crossing signals were installed at the following points: Morley's Crossing, east of Athens; Stanton; Clinton Avenue, South Plainfield; Colfax Avenue and Walnut Street, Roselle Park; Manville; and Lexington Avenue, Picton.

During the year thirty-five portable telephones were installed on freight and passenger trains, making a total of 720 in service, which completes the work of equipping trains. The purpose of these telephones is to enable train crews to communicate immediately with the proper officers in case of accident or unusual delay.

New telegraph and telephone pole lines were erected for a distance of 4.50 miles on the Mahanoy and Hazleton Division, .83 of a mile on the Seneca Division and 2.50 miles on the Buffalo Division. Telegraph and telephone lines were rebuilt for a distance of 9.68 miles on the New Jersey and Lehigh Division, 2.10 miles on the Mahanoy and Hazleton Division, 23.85 miles on the Wyoming Division and 21 miles on the Buffalo Division. Poles were reset for a distance of 23.90 miles on the New Jersey and Lehigh Division, 19.70 miles on the Mahanoy and Hazleton Division and 6.60 miles on the Wyoming Division.

### FINANCIAL.

No capital obligations have been issued and sold by your Company during the fiscal year.

The following obligations matured and were retired during the year:

Description -	Interest Rate	Maturity	Amount
Collateral Trust Bonds	4 %	Feb. & Aug.	\$1,000,000
Equipment Trust, Series I, Certificates	4 %	September	400,000
Equipment Trust, Series J, Certificates	4 1/2 %	Mar. & Sept.	500,000
Equipment Trust, Series K, Certificates	4 %	Mar. & Sept.	300,000
Equipment Trust, Series L, Certificates	4 1/2 %	April & Oct.	400,000
Equipment Trust, Series M, Certificates	4 1/2 %	March	200,000
Total			\$2,800,000

Thus far the improvements which have been made in connection with the new freight and passenger terminals at Buffalo, referred to elsewhere in the report, have been financed out of the current cash resources of the Company. It is proposed, however, at a later date to make a specific issue of bonds to cover the major portion of this expenditure. Accordingly a new company has been incorporated, known as the Lehigh-Buffalo Terminal Railway Corporation, which will take title to the real estate and make all the improvements incident to the construction of the terminals. Application is now pending before the Public Service Commission of New York State for authority to have the terminal corporation issue to the Lehigh Valley Railroad Company Fifty-Year Five Per Cent. Gold Debenture Bonds for such moneys as have been and will be advanced to it for this purpose. These bonds, when received, will be placed in the treasury of your Company. All of the real estate which was acquired by your Company and its subsidiaries is now being transferred to the new company.

The Equipment Trust, known as Series M, covering an issue of \$1,800,000 Four and One-half Per Cent. Certificates, which was authorized last year, as mentioned in that annual report, has been completed and the certificates are now in the Company's treasury. The same mature in annual instalments of \$200,000 on March 1 of each year, the last instalment being due on March 1, 1923. The \$200,000 which matured March 1, 1915, were duly cancelled. This trust is a lien upon 1,000 self-clearing double hopper steel coal cars of 100,000 lb. capacity each, 65 steel passenger coaches, 25 steel baggage and express and 10 steel smoking cars.

The advances made by the Lehigh Valley Railroad Company to subsidiary companies, of which it owns the entire capital stock, were reimbursed by the issuance of Fifty-Year Five Per Cent. Gold Debenture Bonds as follows:—

The Lehigh Valley Rail Way Company	\$380,000
Lehigh Valley Railroad Company of New Jersey	240,000
Pennsylvania & New York Canal & Railroad Company	145,000
National Storage Company	80,000

These securities have been deposited with the Trustee of the General Consolidated Mortgage, as required by the terms of that mortgage.

To reimburse your Company for advances made to it for capital expenditures, the Wyoming Valley Water Supply Company has issued \$80,000 First Mortgage Five Per Cent. Bonds, which have been received and placed in the treasury.

The book value of the capital stock of Coxé Brothers and Company, Incorporated, has been reduced by the sum of \$1,000,000, and Profit and Loss charged with that amount, as has been the practice in preceding years.

There has been a reduction in the book value of the capital stock of the Temple Iron Company as a result of the liquidation of its anthracite business following the decree of the Supreme Court of the United States.

Material and Supplies on hand at the close of the year amounted to \$2,906,007.63, a decrease of \$467,253.15.

Current Assets are \$8,097,354.72 in excess of Current Liabilities. Four quarterly dividends of two and one-half per cent. each on the preferred and common capital stocks of the Company were declared and paid during the year.

The cash and security balances of the Company for the year have been verified by certified public accountants, and a copy of their certificate as to the correctness of the same is given in the full Pamphlet Report.

#### GENERAL REMARKS.

Your Company has pursued a fairly aggressive policy in the matter of expenditures for the development and improvement of its property. The appropriations for the year were also very liberal for the maintenance of the permanent way and equipment. In fact, it will be observed by reference to the statement of operating expenses, that the total maintenance appropriations have been somewhat in excess of the preceding year, noticeably so in the case of equipment. Your Board of Directors believed it to be for the best interests of the stockholders to pursue this policy of liberal maintenance and conservative development for the future, notwithstanding the fact that the revenues were somewhat affected during part of the fiscal year as a result of the disturbed business and financial condition of the country resulting from the European situation.

The attention of the stockholders is again called to the tax accruals, which are steadily increasing, and at a rate out of all proportion to the increase in revenues. The total taxes now amount to 4.23 per cent. of your Company's gross operating revenues. In the last 10 years operating revenues have increased 29.69 per cent., while taxes have increased 154.21 per cent.

Five new covered barges were received during the year and added to the floating equipment of the Lehigh Valley Transportation Company, the entire capital stock of which is owned by your Company. One tug, fully covered by insurance, was lost at sea. One steam lighter, two cattle boats, and six barges, which, on account of age and capacity, became undesirable for further service, were condemned and sold.

The Interstate Commerce Commission rendered a decision in the month of May 1915 under the so-called Panama Canal Act, the effect of which, unless the decision can be modified, will be to compel the Lehigh Valley Railroad Company to cease the operation of six steamers owned by the Lehigh Valley Transportation Company and now operated upon the Great Lakes. These vessels have for years been operated in miscellaneous freight service, and

served as valuable feeders from western points to your Company's lines which end at Buffalo. The decision of the Commission does not require the discontinuance of these operations until December 1, 1915. The matter is one of grave concern to your Company, and is now occupying the earnest attention of its officers.

Your Company has 17 men engaged in the preparation of data and collection of records in connection with the valuation of the Company's property, for use by the Interstate Commerce Commission, as required by law, and this force will have to be increased as the work progresses.

The passenger stations at Waterloo and Seneca Falls and the passenger train service between Geneva and Seneca Falls were discontinued as of October 1, 1914. This discontinuance was consented to by the Public Service Commission of New York State upon proof being furnished to it that the service was being rendered at a loss to your Company and that the communities interested were being well served otherwise.

Upon petition of the Board of Trade of Irvington the Board of Public Utility Commissioners of New Jersey ordered your Company, effective January 29, 1915, to operate three passenger trains on the Irvington Branch in connection with three main line trains to and from Jersey City. The receipts from this service were so hopelessly inadequate in meeting the expense of operation that the Board of Public Utility Commissioners consented to the withdrawal of the service as of June 22, 1915.

The operation of the Lehigh and New York Railroad for the year under review resulted in a loss of \$225,826.13. The property of that Company is leased and operated by your Company under an agreement made in 1895. Sixty new industries were located on the system during the year, of which fifty have direct track connections with your Company's lines. Total payments direct to labour for the year amounted to \$16,834,699.53, or 56.21 per cent. of the total operating expenses, the same having been distributed among an average of 20,173 employees. The contribution made by your Company to its Employees' Relief Fund amounted to \$59,989.38.

The officers and employees are thanked for their loyal and faithful services rendered during the year.

E. B. THOMAS, *President.*

#### COMPARATIVE INCOME ACCOUNT for the Years ended June 30, 1915 and 1914.

	1915.	1914.	Inc. or Dec.
Operating Revenues—	\$	\$	\$
Coal freight rev. ...	19,199,751 59	18,528,246 44	+ 667,509 06
Merch. freight rev. ...	16,005,501 45	15,511,885 90	+ 463,615 55
Passenger rev. ...	4,043,799 00	4,795,117 44	— 751,348 44
Mul. rev. ...	195,124 81	195,052 87	+ 71 94
Express rev. ...	440,632 82	443,971 75	— 3,338 93
Other trans. rev. ...	1,222,250 55	2,063,650 04	— 841,399 49
Incidental revenue ...	613,927 89	602,692 34	+ 11,235 25
Total oper. revs. ...	42,525,962 02	42,170,646 78	+ 355,315 24
Operating Expenses—			
Maint. of way & struc. ...	4,183,324 72	4,674,725 37	— 491,400 65
Maint. of equipment ...	8,207,491 18	7,669,793 05	+ 537,698 13
Traffic expenses ...	554,839 08	1,040,594 15	— 485,754 07
Trans. expenses ...	15,382,186 83	15,804,058 77	— 421,871 94
General expenses ...	913,954 73	898,733 86	+ 15,220 87
Total oper. expenses ...	29,947,337 54	30,087,905 20	— 140,567 66
Ratio of oper. expenses to oper. revenues ...	70.42%	71.35%	— .93%
Net operating revs. ...	12,578,624 48	12,082,741 58	+ 495,882 90
Railway tax accruals ...	1,689,109 33	1,659,290 99	+ 29,818 34
Uncollectible Rly. revs. ...	14,781 88	—	+ 14,781 88
Total tax accruals, &c. ...	1,703,891 21	1,659,290 99	+ 44,600 22
Operating income ...	10,874,683 27	10,423,450 59	+ 451,232 68
Other Income—			
Hire of equip. credit bal. ...	168,807 74	325,440 01	— 156,632 27
Joint facility rent income ...	325,579 07	402,957 70	— 77,378 63
Dividend income ...	719,938 77	*1,241,034 58	— 521,095 81
Funded securities ...	428,027 08	423,060 00	+ 4,967 08
Miscellaneous income ...	544,414 27	624,197 19	— 79,782 92
Total other income ...	1,942,211 45	3,016,689 48	— 1,074,478 03
Total income ...	12,816,894 72	13,440,150 07	— 623,255 35
Deductions from Income—			
Int. on funded debt ...	3,459,738 48	3,308,428 49	+ 151,309 99
Rent for leased roads ...	2,131,795 00	2,212,420 00	— 80,625 00
Joint facility rents ...	208,613 37	210,322 40	— 1,709 03
Miscellaneous rents ...	526,985 22	514,084 51	+ 12,900 71
Misc. tax accruals ...	108,269 82	101,130 59	+ 7,139 24
Misc. deductions ...	59,047 86	37,104 39	+ 21,943 47
Total deductions ...	6,494,449 76	6,383,490 38	+ 110,959 38
Net income ...	6,322,444 96	7,056,659 69	— 734,214 73

† Debit balance.

\* Includes dividend of \$685,080 on capital stock of Temple Iron Co.

#### CR. PROFIT AND LOSS ACCOUNT, Year ended June 30, 1915.

Balance, July 1, 1914	\$23,692,716 88
Net income for year ended June 30, 1915	6,322,444 96
Adjustments account distribution of cost of sundry real estate purchased in prior years	574,236 34
Miscellaneous adjustments	7,402 13
	\$30,802,767 18
Dr.	
Reduction of book value of capital stock of Coxé Brothers & Co., Inc.	\$1,000,000 00
Property abandoned	49,250 30
Dividends: 2½% on preferred stock, paid Oct. 10, 1914, \$2,657.50; 2½% on common stock, paid Oct. 10, 1914, \$1,512,542.50; 2½% on preferred stock, paid Jan. 9, 1915, \$2,657.50; 2½% on common stock, paid Jan. 9, 1915, \$1,512,542.50; 2½% on preferred stock, paid April 10, 1915, \$2,657.50; 2½% on common stock, paid April 10, 1915, \$1,512,542.50; 2½% on preferred stock, due July 10, 1915, \$2,657.50; 2½% on common stock, due July 10, 1915, \$1,512,542.50	6,060,800 00
Balance, June 30, 1915	23,692,716 88
	\$30,802,767 18
Balance brought forward, July 1, 1915	\$23,692,716 88

## GENERAL BALANCE SHEET, June 30, 1915.

Dr.	ASSETS.		LIABILITIES.	Cr.
Investment in Road and Equipment. Investment in road, \$21,061,145.93; investment in equipment, \$55,639,182.97	\$79,763,328 90		Capital Stock: 1,210,034 shares common stock, par \$50, \$60,501,700.00; 2,126 shares preferred stock, par \$50, \$106,300.00	\$60,608,000 00
Less reserve for accrued depreciation	8,371,409 12			
	\$71,391,919 78		Funded Debt: Mortgage bonds, \$77,639,000.00; Collateral trust bonds, \$11,000,000.00; Equipment trust obligations, \$2,000,000.00; Mortgage on real estate, \$1,669,180.00	\$94,840,669 18
Investment in Miscellaneous Physical Property	4,770,573 52		Less securities held in treasury of the Company	19,073,000 00
Investments in Affiliated Companies: Stocks, \$46,988,785.27; Bonds, \$26,815,926.00; Notes, \$555,750.00; Advances, \$223,510.12	\$74,387,971 39			\$75,767,669 18
Other Investments: Stocks, \$252,860.00; Bonds, \$34,000.00; Miscellaneous, 306,839.00	\$593,699 00		Current Liabilities: Traffic and car-service balances payable, \$89,929.37; Audited accounts and wages payable, \$3,218,938.43; Miscellaneous accounts payable, \$202,017.56; Interest matured unpaid, \$403,986.75; Dividends matured unpaid, \$4,197.25; Unmatured dividends declared, \$1,515,200.00; Unmatured interest accrued, \$558,568.47; Unmatured rents accrued, \$355,980.77; Other current liabilities, 476,185.13	\$6,824,033 73
Current Assets: Cash, \$9,177,789.11; Traffic and car-service balances receivable, 133,082.01; Net balance receivable from agents and contractors, \$981,744.39; Miscellaneous accounts receivable, \$1,315,537.70; Material and supplies, \$2,906,007.63; Interest and dividends receivable, \$199,297.85; Other current assets, \$204,829.76	\$14,921,388 45		Deferred Liabilities...	1,366,223 89
Deferred Assets	1,321,493 28		Unadjusted Credits: Tax liability, \$450,787.01; Other unadjusted credits, \$196,468.13	\$947,255 14
Unadjusted Debits: Rents and insurance premiums paid in advance, \$140,396.49; Other unadjusted debits, \$1,678,456.91	\$1,818,853 40		Profit and Loss	23,692,716 88
Total Assets	\$169,205,898 82		Total Liabilities	\$169,205,898 82

NOTE. The Interstate Commerce Commission issued an order, effective July 1, 1914, requiring the reclassification of balance sheet accounts and, accordingly, the balance sheet has been rearranged to conform thereto.

## LEHIGH VALLEY COAL COMPANY.

## REPORT OF OPERATIONS FOR FISCAL YEAR ENDED JUNE 30, 1915.

PHILADELPHIA, August 2, 1915.

The annual report of the operations conducted by the Lehigh Valley Coal Company for the fiscal year ended June 30, 1915, and statements indicating its financial condition at the close of the year, are herewith submitted.

The conditions in the anthracite trade have not been very satisfactory because of the mild weather which has prevailed during the past several winters. While the tonnage mined shows a slight increase over the preceding year, all of the increase was made in the first six months. The second half of the year shows a decrease as compared with the same period a year ago.

The total net income of the Company from all sources, after deducting charges for royalties, sinking funds, depreciation of the property, and interest on the funded debt, amounted to \$1,022,814.91, an increase of \$457,955.47 as compared with the preceding year.

The production of anthracite coal from the lands owned and leased by the Lehigh Valley Coal Company, including that mined by tenants, was 8,088,901 gross tons, an increase of 211,511 tons.

The percentage of sizes above pea produced by the mining operations of the Company was 65.41 per cent., a decrease of 1.05 per cent.

The number of breaker hours worked was 42,085, an increase of 867 hours.

The bituminous coal mined from the Snow Shoe lands, located in Centre County, Pennsylvania, amounted to 253,205 gross tons, an increase of 5,474 tons.

The property of the Company was fully maintained during the year and \$517,542 was expended for additions and betterments.

The steel fireproof breaker at Packer No. 5 colliery, referred to in the last annual report, was completed and is now in successful operation. Other improvements at this colliery, including a substantial addition to the boiler plant and a new steel head-frame over the shaft, have been completed, and a new steel fireproof ventilating fan is now in course of construction. At Packer No. 4 colliery the alterations to the breaker and the concentration of the underground pumping are well under way and will be completed during the coming year.

An addition to the boiler plant at Dorrance colliery has been made to provide the increased amount of steam required because of the extension of underground operations.

Prospecting on the Broadwell lands in Lackawanna County is now under way, with a view to commencing mining operations thereon and taking the coal to Heidelberg colliery for preparation.

To reduce still further the risk of destruction by fire, a complete spray system was introduced at each of the frame breakers, and, as a result of tests made under the observation of representatives of the insurance companies, a substantial reduction was made in the premiums paid for fire insurance.

The operations on the bituminous coal lands at Snow Shoe are being steadily developed to permit of greater efficiency. As soon as the power line, now under construction, is completed electric haulage will be substituted for mules and electric coal-cutting machinery will be introduced in place of pick mining.

The properties at West Harrison Street, Chicago, and

Fillmore Avenue, Buffalo, which were no longer required in the conduct of the Company's business, were sold during the year.

Included in the cash on hand is the sum of \$678,085 representing an amount set aside on account of the special tax levied by the State of Pennsylvania of two and one-half per cent. of the value of the coal mined. The constitutionality of this law has not as yet been decided by the courts.

No new capital obligations have been issued during the year.

By action of the Sinking Fund \$404,000 Delano Land Company First Mortgage Five per Cent. Bonds were purchased and cancelled during the year. The retirement of these bonds will result in a reduction of \$20,200 per annum in the fixed charges of the Company.

The obligations appearing on the balance sheet as "Deferred Real Estate Payments," representing short-term notes given for the purchase of property in prior years, have been reduced by the sum of \$100,000.

Payments amounting to \$112,804 were made to the sinking funds of the various mortgages on the Company's property.

Current assets are \$3,521,901 in excess of current liabilities.

The books and accounts of the Company have been verified by certified public accountants and a copy of their certificate as to the correctness thereof appears in the full Pamphlet Report.

By Order of the Board of Directors,  
F. M. CHASE, Vice-President and General Manager.

## CONDENSED GENERAL BALANCE SHEET, June 30, 1915.

Dr.	ASSETS.		LIABILITIES.	Cr.
Property and Plant	\$24,969,596 83		Capital Stock	\$1,965,000 00
Securities Owned	200,000 00		Funded Debt	19,892,000 00
Advances for Coal Mining Rights	4,463,730 06		Current Liabilities:—Audited vouchers, \$570,862.06; Wages due and unpaid, \$517,704.62; Due to individuals and companies, \$45,855.55; Royalties on coal mined, due lessors, \$40,602.31; Interest on funded debt, due July 1, 1915, \$303,800.00; Interest on funded debt, accrued, not due, \$100,000.00; Interest due on funded debt, unclaimed, \$5,000; Taxes due and accrued, \$1,099,796.35	2,633,620 89
Sinking Funds in Hands of Trustees	2,570,393 71		Deferred and Suspended Liabilities:—Deferred real estate payments, \$600,000; Miscellaneous, \$149,717.42	749,717 42
Insurance Fund	133,465 59		Reserve Accounts:—Depreciation and other reserves	8,334,530 49
Current Assets:—Cash on deposit, \$4,178,948.66; Materials and supplies, \$321,829.72; Notes receivable, \$4,000; Due from individuals and companies, \$1,700,743.66	6,205,522 04		Profit and Loss	5,108,014 56
Deferred and Suspended Assets	238,175 13		Total Liabilities	\$38,782,883 36
Total Assets	\$38,782,883 36			

## PROFIT AND LOSS ACCOUNT, Year ended June 30, 1915.

Dr.	Cr.
Credit balance, July 1, 1914	\$4,225,685 28
Net income for year ended June 30, 1915	1,022,814 91
Adjustment of Pennsylvania State Taxes	\$67,126 51
Miscellaneous adjustments	73,359 12
Balance, June 30, 1915	5,108,014 56
	\$5,248,500 19
Credit balance brought forward, July 1, 1915	\$5,108,015 64

# MEETINGS OF PUBLIC COMPANIES.

## SOUTH METROPOLITAN GAS COMPANY.

The ordinary half-yearly general meeting was held on August 11 at De Keyser's Royal Hotel, Victoria Embankment. Dr. Charles Carpenter, Chairman of the Company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: I think it will perhaps be most convenient if I deal first with the least satisfactory aspects of the past half-year's accounts. These are the heavy costs for the purchase and delivery of coal to the Company's stations, and the considerable extent to which we have had to borrow from our bankers, as shown under the item "Temporary loan." I do not include in the same category the fact that the dividend for the half-year will be at the rate of £4 8s. instead of £5 9s. 4d. per cent. per annum, which was the figure twelve months ago. Having regard to the terrible trial through which the country is passing, although as shareholders disappointment must be felt by us at this reduction, yet I think even that position is not so unsatisfactory from the patriotic standpoint as though we were making large profits out of the fact that the country is plunged in a terrible war and is fighting for its very existence.

### Dear Coal and the Price of Gas.

Our primary difficulty has been with regard to the purchase and supply of coal, the cost of which shows no sign of receding from the high figure to which it rose as a result of the coal strike of 1912. Prior to this our expectations, based upon many years' experience, were that coal could on the whole be purchased at a reasonable figure, and that if, owing to exceptional circumstances, the price for any twelve months rose above the average, it quickly reverted to its former level. We are now suffering from the fact that we have had three and a half years straight off with dear coal, and little or no signs of an improvement. The application of the sliding-scale to gas undertakings took place some 40 years ago. The sliding-scale is so arranged that gas companies have ever since that time had a direct incentive to keep their charge for gas as low as possible, since it is only by maintaining the low price that the usual dividends can be paid. If, owing to special circumstances, coal goes up and gas thereby costs more, the effect is shared by the gas shareholders as well as the gas consumers. I need not remind you that by the Co-partnership we have had in recent years added the gas employee also. If these principles are right in their application to gas companies—and that they are right I think is pretty generally admitted—it does not seem illogical that coal, the raw material required for the production of gas, should be similarly treated. Parliament, it would seem, has at last realised the urgency of the matter, and a limit has now been fixed to the price to be paid for coal purchased after a certain date. With regard to the freight question, we are getting over this trouble by providing our own steamers.

### Issue of Additional Capital.

Another item, which but for some explanation might call for adverse comment, is with regard to the amount of the temporary loan. Under normal circumstances we should have sufficient floating capital—by floating I mean, of course, other than invested in buildings and plant, &c.—to enable us to carry on our business with comparatively small recourse to our bankers. But high prices and the War have hit us severely in this respect. The War has also considerably interfered with our trade in residuals, in some of which we have had to carry considerable stocks. In common with other companies, we have for many years made it a practice to rely upon our bankers for their assistance in meeting difficulties created in this manner, since they have usually been found to be temporary, and it was not considered good policy to raise capital, which bears a permanent charge, for requirements which happen infrequently. It appears desirable, however, that we should issue further capital, as the difficulties to which I have referred appear to be becoming more common, and it is stated farther on in the report that we are, in accordance with our Act of Parliament, offering stock to the Company's employees and gas consumers. I am afraid the loan figure will be considerably higher by next winter, but we have every reason to expect it to be something like a normal figure before I have the honour of again addressing you in February next. The report tells you we have had a decrease in our gas consumption of nearly 3½ per cent. This we can trace solely to the lighting regulations put in force to diminish the amount of light in our various thoroughfares. Had it not been for these there is every reason to believe that, despite the additional charge we found it

necessary to impose, we should have had an increase instead of a decrease in our business.

Mr. Kenneth P. Hawksley seconded the motion, which was carried unanimously.

## GENERAL MINING AND FINANCE CORPORATION, LTD.

The annual general meeting was held in the Board Room of the Corporation Buildings, Johannesburg, on July 16, Sir George Albu (Chairman of the Company) presiding.

The Chairman said: Gentlemen,—When addressing you at the previous annual meeting of your Corporation, held just over a year ago, I little thought that within a few weeks afterwards the greater part of Europe would be plunged into the greatest war that the world has ever known, the devastating effect of which on property and financial relations it is, even after the lapse of time, impossible to foretell. Under such circumstances, it is not surprising that the affairs of the Corporation, as reflected in the accounts and report for the past year, show no improvement on the position obtaining at the close of the previous year.

### The Balance Sheet.

Dealing with the balance sheet of the Corporation, our liabilities show a reduction under each heading. Deposits, at £126,183, reflect a decrease of £90,996, which represents the repayments made by us during the year. Bills payable amounted to only £140, as compared with £1,394 at the close of the previous year. Creditors for stock bought, at £7,523, show a diminution of £4,989. Sundry creditors have been reduced by £90,144, and there is a small decrease of £54 in respect of unclaimed dividends. In all, therefore, our liabilities have been diminished to the extent of £187,437, as compared with the position at the end of 1913. Taking the assets side of the balance sheet, stocks and shares of companies under our own management, at the book value of £1,209,367, reflect a decrease of £37,414, representing the realisations during the year. Stocks and shares in other companies, also taken at the book value of £203,190, show a decrease of £22,078, being the net sales after taking into account certain shares purchased during the period. Our holdings of Debentures of public companies, at £349,296, are practically unchanged. It must be borne in mind, however, that these assets, of a total book value of £1,761,853, showed a depreciation of £971,973 as compared with the market prices ruling at December 31, 1914, where there were published quotations, and at the directors' valuations where there were no such quotations. Mining properties and house property, &c., at £238,684, reflect a decrease of £22,387, representing the book value of certain house property and real estate sold during the year. You will note, however, that in respect of this asset (house property and real estate) we still have a special reserve of £70,000. Advances against security show an increase of £29,017, which is accounted for chiefly by the additional amount of shares which we were "taking in" at December 31 last, as compared with the end of the preceding year. Sundry debtors (including advances to mining companies) are £6,491 lower, at £596,392, by reason of repayments made to us during the year, which, however, were mostly utilised in additional advances to the Roodepoort United and Rand Collieries. Debtors for stock sold show a reduction of £1,425. The largest decrease is in respect of cash at bankers, &c., £43,197, as compared with £172,346 at the close of 1913—or a diminution of £129,149. I need hardly explain that the depletion of our funds by this amount has been the chief means of effecting the large reduction of £187,000 in our liabilities to which I have previously referred. The heavy depreciation of £971,973 in the market prices for the stocks, shares, Debentures, &c., held by the Corporation is (as in the case of the previous balance sheet) mainly accounted for by the nominal values at which Cinderella Consolidated and Rand Collieries shares are at present quoted.

### Profit and Loss Account.

Turning to the profit and loss account, the administration expenses for the past financial year (less amounts received from other companies) were £13,255, as compared with £17,936 for the previous year—the decrease being largely due to reductions effected in the expenses of running the principal offices of the Corporation. Directors' fees show a decrease of £521. The loss on ventures and house property of £19,304 compares with a similar debit of £59,140 for the preceding year, and is principally due to a loss on realisation of house property purchased many years ago, when prices ruled infinitely higher than at present. The next item is £31,002 for interest, representing the balance of interest paid out for the year in respect of deposits and

sundry creditors over amounts received. In this connection I may say that we only credit our revenue with interest actually received—in other words, no account is taken of interest charged to those companies and persons owing us money which have been unable to pay in cash. Taking the credit side of profit and loss account, the profit on stocks and shares realised amounted to £12,967, as compared with £7,305 for the previous year; and sundry revenue gave us £50,037, as against £52,587 for 1913. During such a period as we passed through last year there were few opportunities of realising assets to advantage, and most ordinary sources of revenue were prejudicially affected. The net result of the year's trading was, therefore, a loss of £2,213, which, added to the balance of £43,416 brought forward from 1913, makes a total debit balance to profit and loss account at December 31 last of £45,629.

#### Two Outstanding Points.

Very large funds, equivalent to nearly one-third of the capital of your Company, are locked up in advances to our subsidiary companies, and are not likely to be released to a very great extent until such time as these companies are able to make satisfactory arrangements for obtaining additional capital. The second point is that our share assets have suffered a very heavy depreciation for the time being, by reason chiefly of the fact that we have large holdings in two of the mines under our control which have been obliged to close down for want of sufficient capital to complete the big schemes of development on which they had embarked, and which had progressed to a considerable extent when the lack of funds compelled the suspension of operations. This last factor is, in a way, an effect of the first-mentioned point, because if our funds had not been locked up so largely in advances to the Roodepoort United and Aurora West companies we should have been in a position to finance the Cinderella Consolidated until such time as additional capital could have been raised for the latter concern, and so have obviated the necessity for closing down the mine. In other words, the capital of the Corporation has proved to be insufficient to bear the heavy calls upon it in assisting its subsidiary companies during recent years. Of course, in normal times of active markets this position would not have arisen, as some at all events of our companies would have been able to raise new capital, and so have released the moneys advanced to them by us. As matters have turned out, however, owing to successive years of stagnant markets and other adverse circumstances, there has been no favourable opportunity for re-financing the companies in question on satisfactory terms.

The report and balance sheet were adopted.

#### MASHONALAND AGENCY, LIMITED.

THE annual general meeting was held on August 11 at Salisbury House, E.C., Mr. H. L. Stokes (Chairman and Managing Director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The main business you are asked to consider to-day will be that for which the extraordinary meeting has been called, and which will follow this meeting—namely, to consider proposals for winding up the present Company, with a view to reconstructing it and putting it at once on a dividend-paying basis. The Mashonaland Agency is one of the few Rhodesian companies which has strenuously avoided reconstruction up to the present, and we have always been able to congratulate ourselves that our assets represent intrinsically the issued capital of the Company, and I should like to assure you that reconstruction has been considered advisable solely by reason of the depreciation in the market value of the Company's various shareholdings and the delay in some of the mines in which the Company's funds are invested in earning a distributable profit.

#### The Accounts.

Leaving the matter of reduction of capital for further remarks later, and turning now to the accounts, it will be seen that they show very little change from those submitted last year, and I am sure the reason for this will be appreciated by you, having regard to the unprecedented circumstances under which all business has had to be transacted during the past year. It is a satisfaction, however, to be able to submit to you a better profit and loss account for the year 1914 than has been the case for the previous two years, and this is the reason why we propose to you the reduction of the capital of the Company, as we desire that out of these profits which the Company is earning regularly a distribution should be made to you in the future rather than, as is the case at the present time, that they should be held in reserve to meet depreciation. The Company's share investments are brought into the accounts at £258,911 0s. 2d. These investments comprise the following substantial holdings: 1,910 Amalgamated Properties of Rhodesia, Limited; 1,430 Antelope Gold Mining Company, Limited; 29,979 Bwana M'Kubwa Copper Mining Company, Limited; 2,000 Charterland and General Exploration Company, Limited; 17,616 Gold Fields Rhodesian Development Company, Limited; 4,607 Rhodesia Broken Hill Development Company, Limited; 6,467 Rhodesia Chrome Mines, Limited; 3,839 Scottish Mashonaland Gold Mining Company, Limited; and

146,300 Wankie Colliery Company, Limited, besides small holdings in various other companies. Taking a very conservative value of these holdings, we reckon that they are worth in the aggregate about £138,270, so that it will be seen that here is a market depreciation of at least £120,641. Turning to the profit and loss account, the board is pleased to be able to show substantial reductions in the expenditure on the figures of the previous years, the total expenditure amounting to £6,543 13s. 3d., as compared with £8,421 5s. 2d. on the figure of the previous year. On the other hand, the receipts have largely increased, the income for the year 1914 amounting to £23,296 8s., as compared with £18,697 1s. 11d. for the year 1913. We have taken to the credit of the profit and loss account the sum of £15,196 15s. 6d., as compared with £10,016 9s. 9d., the net profit earned during the year 1913, so that you will see that the income of the Company is gradually increasing year by year.

#### Reconstruction of the Company's Capital.

In view of the heavy depreciation in the share investments, which must be recognised as having taken place, and which has to be reckoned with, no portion of the balance now standing to credit of profit and loss account could be, nor can be, considered as available for distribution. This depreciation which overshadows our financial position must first be cleared out of the way. The directors, therefore, recommend that the readjustment of the capital be made sufficiently drastic to meet all contingencies and that the nominal capital of the Company be reduced from £400,000 to £200,000. This drastic cutting down of the capital can only be effectively carried out by a reconstruction of the Company, and resolutions giving effect to these proposals will be placed before you for your approval at the extraordinary general meeting called to follow this one. In placing these proposals before the shareholders, to reduce the face value of the shares from a £1 to a 10s. denomination, it is hardly necessary, perhaps, for me strongly to emphasise the fact that the assets of the Company are in no way affected nor reduced in value. The general position will, indeed, be greatly strengthened by the carrying out of the proposals placed before you. We propose that out of the cash assets a sum equal to 2½ per cent. on the present capital shall be kept back, and distributed by the liquidator to the shareholders at the commencement of the winding-up. The sum thus distributed will amount to £9,974 8s. The directors recommend these proposals to the shareholders with full confidence of receiving their approval.

Mr. H. Wilson Fox seconded the resolution, which was carried with three dissentients.

## A WAR-WORK INVESTMENT

WITH REBATE OF INCOME TAX

WAR-WORK SAVINGS cannot be invested to better purpose than in a Life Assurance Policy making provision for OLD AGE and for dependants in the event of earlier death.

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THERE ARE NO SHAREHOLDERS.  
ALL PROFITS BELONG TO MEMBERS.

#### SCOTTISH WIDOWS' FUND.

Funds: 22 Millions. Claims Paid: 43 Millions.

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G. J. LIDSTONE,  
Manager & Actuary.

An extraordinary general meeting was called on August 10 at Winchester House, Old Broad Street, E.C., Mr. C. J. Cater Scott (Chairman of the Company) presiding. The Chairman, in moving the adoption of the report and accounts, said: I much regret that for the first time since the reconstruction of the Company I have had to come before you with accounts which do not show the progressive character it has been my pleasure to report to you generally, but accounts which, on the other hand, show a decided falling-off. Under the conditions in which we are working this is not altogether surprising. The reduction in receipts is primarily due to the sharp drop in the island. The War, also, has undoubtedly acted us to a certain extent, although, perhaps, not to the extent one might have expected. If you look at the operating revenue account of the American Company, that is, on pages 14 and 15, you will see that the total receipts for the North were 3,152,000 pesos, shows a total operating revenue of 1,539,000 pesos, or an increase of 44,000 pesos. Altogether there is a total operating revenue of 4,022,000 pesos, which is a decrease of 244,000 pesos upon the previous year. During the year ended December 31, 1914, 70 new miles of road were brought into operation. If you again turn to pages 14 and 15 of the American Company's report you will see that the expenses of the Northern line show an increase of 100,700 pesos, and the Southern lines an increase of 171,200 pesos, or a total increase of 271,900 pesos, and that is a very serious matter. In the current year Mr. Higgins is dealing with that question, and I hope he will be able to make a considerable saving. At the beginning of the report you will find that the result of the trading of the American Company is that we have received the full amount of interest on their bonds, £164,592; on the larger amount of Guaranteed bonds now held by the Company, which bear interest at 4 per cent., we have received £42,474, which was the full amount of interest due up to December 31, 1914. This is £14,445 more than in the previous year. On the other hand, there has been no dividend declared on the Preferred stock, which last year gave us £47,900, and our total receipts from the American Company amount to £207,066, as against £240,932 in the previous year. We carry down £182,684, which is almost exactly £36,000 less than last year. That has enabled us to pay the full interest on our "A" and "B" bonds, and the full amount due on our new Five per Cent. Debenture stock, of which we sold a certain additional amount last year, the charge for these being £57,200, or £12,630 more than in the previous year. To do this, however, we had to draw £9,700 from our carry-forward, which now stands at £94,205. Of course, you will readily understand that, under such circumstances, there can be no question about a dividend on our Preference stock. The year 1914 has been with us, as with many other companies, certainly an unfortunate year. We have had a diminished revenue, due to the circumstances which I have endeavoured to explain to you, and at the same time we have had, on account of construction, to carry an increased amount of capital involving larger interest charges, but even with that larger amount of interest charged for new work done, and even if the new road open had not produced any more revenue, if we could still have had the revenue of 1913 we should have been able to meet all our charges satisfactorily, without trenching on our carry-forward.

### MANILA RAILWAY CO. (1906), LIMITED.

The 6th ordinary annual general meeting was held on August 10 at Winchester House, Old Broad Street, E.C., Mr. C. J. Cater Scott (Chairman of the Company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: I much regret that for the first time since the reconstruction of the Company I have had to come before you with accounts which do not show the progressive character it has been my pleasure to report to you generally, but accounts which, on the other hand, show a decided falling-off. Under the conditions in which we are working this is not altogether surprising. The reduction in receipts is primarily due to the sharp drop in the island. The War, also, has undoubtedly acted us to a certain extent, although, perhaps, not to the extent one might have expected. If you look at the operating revenue account of the American Company, that is, on pages 14 and 15, you will see that the total receipts for the North were 3,152,000 pesos, shows a total operating revenue of 1,539,000 pesos, or an increase of 44,000 pesos. Altogether there is a total operating revenue of 4,022,000 pesos, which is a decrease of 244,000 pesos upon the previous year. During the year ended December 31, 1914, 70 new miles of road were brought into operation. If you again turn to pages 14 and 15 of the American Company's report you will see that the expenses of the Northern line show an increase of 100,700 pesos, and the Southern lines an increase of 171,200 pesos, or a total increase of 271,900 pesos, and that is a very serious matter. In the current year Mr. Higgins is dealing with that question, and I hope he will be able to make a considerable saving. At the beginning of the report you will find that the result of the trading of the American Company is that we have received the full amount of interest on their bonds, £164,592; on the larger amount of Guaranteed bonds now held by the Company, which bear interest at 4 per cent., we have received £42,474, which was the full amount of interest due up to December 31, 1914. This is £14,445 more than in the previous year. On the other hand, there has been no dividend declared on the Preferred stock, which last year gave us £47,900, and our total receipts from the American Company amount to £207,066, as against £240,932 in the previous year. We carry down £182,684, which is almost exactly £36,000 less than last year. That has enabled us to pay the full interest on our "A" and "B" bonds, and the full amount due on our new Five per Cent. Debenture stock, of which we sold a certain additional amount last year, the charge for these being £57,200, or £12,630 more than in the previous year. To do this, however, we had to draw £9,700 from our carry-forward, which now stands at £94,205. Of course, you will readily understand that, under such circumstances, there can be no question about a dividend on our Preference stock. The year 1914 has been with us, as with many other companies, certainly an unfortunate year. We have had a diminished revenue, due to the circumstances which I have endeavoured to explain to you, and at the same time we have had, on account of construction, to carry an increased amount of capital involving larger interest charges, but even with that larger amount of interest charged for new work done, and even if the new road open had not produced any more revenue, if we could still have had the revenue of 1913 we should have been able to meet all our charges satisfactorily, without trenching on our carry-forward.

Admiral Sir Cyprian A. G. Bridge, G.C.B., seconded the motion, which was carried unanimously.

### RAND GOLD OUTPUT.

THE Rand's production of gold according to the Transvaal Chamber of Mines is contrasted below:—

	Tons Milled and Yield per Ton		Value £
	Tons	Yield	
1912	25,499,361	29.0	37,182,746
1913	25,625,432	27.9	35,812,605
1914.			
First half	12,332,222	26.11	16,609,705
Second half	12,393,210	26.11	17,514,729
Year 1914	24,725,432	26.7	34,124,434
1915.			
January	2,237,748	26.2	2,930,156
February	2,077,792	26.6	2,774,673
March	2,366,392	26.11	3,082,810
April	2,589,002	26.7	3,046,579
May	2,446,865	25.41	3,133,772
June	—	—	3,092,024
July	—	—	3,153,960

The returns of natives recently employed in gold mining are as follows:—

	July	Aug.	Sept.	Oct.	Nov.	Dec.	1914
190,023	184,000	184,000	184,000	180,422	172,331	164,650	

**Aurora West United.**—There are in issue 212,705 10s. shares, and a favourable opportunity will be taken for a further issue to deal with floating debt, the total authorised capital being £300,000, in 600,000 10s. shares. Net floating indebtedness at December 31 about £105,000. Plant—80 stamps; capacity increased to 15,000 tons per month.

Year ends	Tons Sort	Revenue	Expenses	Profit	Price
Dec. 31	Stps. Milled	Amt. Per ton	Amt. Per ton	Amt Per ton	Per ton
1914 ... 80	164,791	2,237,748	247	163,398	10/10 34,124 4/9 —
1915.					
Mar. qr. 80	42,100	52,470	24.11	4,402	19/6 11,52 5/8 —
June qr. 80	45,100	57,210	24.7	4,974	19/6 12,459 5/7 —
July 80	17,000	20,443	24.0	14,231	19/6 4,12 5/6 —

**Brakpan.**—Capital issued, 750,000 £1 shares; 160 stamps. Nine tube mills now working.

Year ends		Tons	Sort-	Revenue		Expenses		Profit		Price	
Dec. 31	Stps.	Milled	ing	Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	end of Period	
1914	...	140	621,573	131	859,116	27/7	575,660	18/5	28,456	9/1	—
1915.											
Mar. qr.	150	167,910	131	250,000	27.8	165,639	18.6	77,263	9/2	2 1/2	
June qr.	150	181,100	—	240,000	27.8	160,000	17.5	80,544	8/7	2 1/2	
July	—	64,300	—	80,000	27.11	57,740	17.11	32,161	14/5	3	

Dividends—1914, June, 12½; Dec., 17½ per cent. 1915, June, 17½ per cent.

**City and Suburban.**—£1,360,000, in £4 shares. Two tube mills. Yearly profit is exclusive of accumulated slimes revenue.

Year to Dec. 31	Tons Stps. Milled	Sort- ing	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Per ton	Price end of Period	
1913 ...	151av.306,663	9 1/2	583,141	38/0	335,622	21/10 247,519 16/2	2 1/2
1914 ...	154av.324,117	9 1/2	587,199	38.3	333,643	20/11 248,551 15/4	—
1915.							
Mar. q.	151av. 81,309	10 1/2	143,480	36.5	62,032	21.1 64,666 15/4	2 1/2
June q.	154av. 82,620	—	150,000	38.4	68,444	21.4 61,757 15/0	—
July ...	— 22,750	—	51,108	35.6	30,483	21.2 20,625 14/4	2 1/2

Dividends—1914, June, 7½; Dec., 7½ per cent. 1915, June, 7½ per cent.

**City Deep.**—Capital £1,250,000, in £1 shares. 200 stamps and tube-mill accessories, to have a capacity of about 800,000 tons per annum when in full operation.

Year to	Tons Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps. Milled	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period
1914	150	525,300	7 1/2	947,710	38.2
1915.				566,933	22.5
Mar. q.	144	137,000	12 1/2	261,694	38.0
June q.	—	170,000	—	162,749	22.2
July	—	60,000	—	109,145	15.10
				22.5	2.2
				150,703	17.7
				3.0	3.0
				62,196	20.7
				3.1/2	3.1/2

\* "The yield recently has been higher than that called for by the reserves."

Dividends—1914, June, 11½; Dec., 12½ per cent. 1915, June, 13½ per cent.

**East Rand Proprietary Mines.**—Capital issued, £2,445,897, in £1 shares; £1,260,000 Convertible Five per Cent. Debentures in issue. Twenty-five tube mills.

Parents	Tons Sort.	Revenue	Expenses	Profit	Price					
Dec. 31	Steps. Milled	ing Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period					
1914	820	1,831,950	—	2,579,172	23.0	1,755,208	19/5	793,964	8/6	—
1915.										
Mar. qr.	820	418,200	10	566,089	28/0	424,453	20/3	161,636	7/9	1 1/2
June qr.	820	484,100	—	630,810	28.3	46,924	19/1	173,000	7/2	1 1/2
July	820	164,000	—	210,000	26.5	163,917	19/6	55,543	6/1	1 1/2

Accumulated slimes profits included throughout.

Dividends—1914, June, 7½; Dec., 10 per cent. 1915, June, 6½ per cent.

**Ferreira Deep.**—£980,000, in £1 shares. Mills, 280 stamps and 7 tubes.

Year ends	Tons	Sort-	Revenue		Expenses		Profit		Price	
Sept. 30	Milled	ing	£	Per ton	£	Per ton	£	Per ton	end of	
	Stps.	%	£		£				Period	
1913-14	261av.	668,530	11	1,236,633	36 11	584,475	17/5	652,163	19/5	—
1914-15.										
Dec. qr.	280	153,390	8	259,505	34/0	152,584	19/3	116,921*	14/9	—
Mar. qr.	280	171,470	10	304,006	38.5	159,589	19.2	147,917	17/3	1 1/2
June qr.	280	124,460	—	225,000	34.1	143,239	22.2	83,555	12/11	2 1/2
July ...	—	52,320	—	83,271	31/10	51,781	19.9	31,490	12/1	2 1/2

\* Grade for month of December was low, as hoisting was necessarily confined to ore from poorer section of the mine.

† Shaft repairs, direct cost of ground, interfered with operations.

Profits from accumulated slimes treated are included in profits.

Dividends—1914, March, 25; Sept., 25; Dec., 10 per cent. 1915, March, 25 per cent.

**Crown Mines.**—Capital £1,000,000, in 2,000,000 shares of 10s. each; issued, 1,880,212. £914,950 Five per Cent. Debentures. Milling capacity about 232,000 tons per month. 1913 figures and since include accumulated slimes.

Year ends Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	660	2,286,875 10½	2,976,989 26/1	1,783,477 15/7	1,193,512 10/6	—
1915.						
Mar. qr. 660	598,000 10½	750,121 25 1	475,527 15/11	•274,594 9 2	4½	
Apr. ... 660	204,000 10½	265,994 26/0	157,976 15/5	108,018 10/7	4½	
May ... 660	224,000 10½	285,722 25/11	168,078 15/3	117,674 10/3	4½	
June ... —	214,000 —	273,713 25/7	164,906 15/5	108,807 10/2	4½	
July ... —	236,000 —	289,752 26/2	168,221 16/4	101,531 9/10	4½	

\* Poor results due entirely to disappointing yield, which continues considerably below what is indicated by ore reserves values. "The cause of this difference is being carefully investigated."

Dividends—1914, June, 55; Dec., 30 per cent.  
1915, June, 35 per cent.

**Consolidated Main Reef.**—£924,364, in £1 shares. 120 stamps; three tube mills.

Year ends June 30	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913-14 ...	241,016	12	379,543 31/6	262,942 21/10	116,601 9/8	—
1914-15.						
Sept. qr. 110	75,046	15	113,764 30/3	76,536 20/5	37,178 9/10	—
Dec. qr. 103av.	68,810	14	104,891 30/6	73,579 21/5	31,312 9/1	—
Mar. qr. 100	70,520	9½	108,246 30/6	75,014 21/2	33,232 9/4	18/0
June qr. —	74,999	—	115,748 29/0	79,205 19/10	36,543 8/9	18/0
12 mos. —	294,760	—	412,649 30/0	304,384 20/7	118,265 9/5	19/0
1915-16.						
July ... —	28,110	—	39,842 28/4	27,520 19/7	12,322 8/9	18/9

Dividends—1914, June, 5; Dec., 6½ per cent.  
1915, June, 6½ per cent.

**Geduld Proprietary.**—The capital authorised is £1,000,000; issued, £922,500, in £1 shares. Plant has been enlarged to 60 stamps and five tubes, having a capacity of 24,000 tons a month. There is the probability of early increase of plant to 35,000 tons a month.

Year ends Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	52½av.	244,585 1½	395,457 32/4	298,489 24 5	96,968 7/4	—
1915.						
Mar. qr. 60	71,330 9½	113,683 31/10	78,412 21/11	35,271 9/11	24/0	
June qr. 60	74,760 —	113,713 30/5	78,525 21/0	35,188 9/5	28/9	
July ... —	26,050 —	38,251 29/4	25,606 19/8	12,645 9/8	29/3	

Gold reserve: 4,431 oz. July.

Monthly and quarterly profits include sundry revenue.

The sorting in this mine is both on surface and underground; very slight on surface.

Dividends—1914, Dec., 5 per cent.  
1915, June, 5 per cent.

**Geldenhuis Deep.**—Capital, £600,000; issued, 585,753 £1 shares. 300 stamps, 7 tube mills. Capacity, 720,000 tons a year.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	300	570,600 10½	781,566 27/5	624,471 22/10	157,095 4/7	—
1915.						
Mar. qr. 300	150,700 12	192,553 25 7	164,608 21/10	28,250 3 9	1½	
June qr. 300	150,000 —	196,548 25 10	167,317 22 0	29,231 3 10	1½	
July ... —	51,000 —	67,963 26 7	57,550 22/6	10,413 4 1	1½	

1913 returns and since include yield from accumulated slimes.

Dividends—1914, June, 8½; Dec., 10 per cent.  
1915, June, 10 per cent.

**Glencairn.**—£550,000, in £1 shares. Sundry revenue, about £2,000 a year, included in profits; also accumulated slimes revenue.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	158½av.	251,552 9½	178,433 14/2	148,429 11/9	30,004 2/5	—
1915.						
Mar. qr. 160	60,690 10½	44,238 14/5	37,340 12/3	6,888 2/3	2 6	
June qr. —	43,016 13/6	36,744 11/7	6,262 1 11	1/9		
July ... —	22,990 —	14,573 12/2	12,186 11/2	2,387 2 0	2 0	

Dividends—1914, June, nil; Dec., 5 per cent.  
1915, June, nil.

**Ginsberg.**—210,000 £1 shares issued. One tube mill.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	77½	179,089 23	204,522 22/9	159,961 17/10	44,561 4/11	—
1915.						
Mar. qr. 75	45,100 18½	49,044 21/9	39,697 17/7	9,347 4/2	3½	
June qr. —	46,444 —	51,099 22/0	39,675 17/1	11,424 4/11	3½	
July ... —	15,800 —	18,013 22/10	13,943 17/9	4,070 5 1	3½	

Dividends—1914, June, 10; Dec., 7½ per cent.  
1915, June, 7½ per cent.

**Goch.**—£550,000, in £1 shares. 120 stamps; four tube mills. Sundry revenue, about £2,000 a year, included.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	360,000	10	381,143 21/2	258,983 14/5	122,160 6/9	—
1915.						
Mar. qr. 9½	100 10½	84,959 18/9	62,431 13 10	22,528 4/11	13/0	
June qr. 91,450	—	83,175 19/3	63,219 13/10	24,925 5/5	15/9	
July ... 30,500	—	29,481 19/4	21,420 14/0	8,061 5/4	15/3	

Dividends—1911, June, 7½; Dec., 5 per cent.  
1915, June, 5 per cent.

**Government Areas.**—Capital £1,400,000, in £1 shares. At December 31, 1914, floating debt about £240,000. 100 stamps, 10 tube mills. Plant ordered to be doubled. The returns include sundry revenue.

Year ends Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914.						
Oct. 18 to Dec. 31 ...	97,700 13½	80,965 16/6	105,433 21/6	23,468 5/1	•	—
1915.						
Mar. qr. 93½	140,400 14½	145,132 20/3	122,691 17/6	22,441 3/2	21 6	
June qr. 100	142,000 —	171,265 24 0	132,415 18/7	38,850 5/5	1½	
July ... —	45,000 —	64,576 28 9	47,109 21 1	17,567 7/8	1½	

\* Loss.

**Heriot.**—Issued capital £115,000, in £1 shares. One tube mill.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	70	154,228 16	281,765 36/6	138,197 20/11	120,324 15/0	—
1915.						
Mar. qr. 60	33,700 18½	69,646 37/10	41,188 22/5	28,458 15 5	3½	
June qr. 60	38,300 —	69,677 36/4	42,810 22/7	26,867 13 9	3½	
July ... 60	13,400 —	23,349 34/10	14,343 21/5	9,006 13 5	2½	

Dividends—1914, May, 30; Nov., 35 per cent.  
1915, May, 40 per cent.

**Meyer and Charlton.**—Capital £200,000, in £1 shares. Two tube mills.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913 ...	75	173,123 6½	422,179 48/9	158,388 18/3	263,791 30/6	5½
1914 ...	75	177,155 3½	408,479 46 1	153,170 17 3	255,309 28 10	—
1915.						
Mar. qr. 75	43,462 2	98,603 45 4	39,825 18 4	18,778 27 0	5	
June qr. 75	43,954 —	100,575 45/10	39,195 17/11	61,380 27/11	5½	
July ... —	14,996 —	33,543 44/9	13,506 18 0	20,037 26 9	5½	

\* In addition there is £7,648, result of clean up in January.

Dividends—1914, June, 35; Dec., 35 per cent.  
1915, June, 40 per cent.

**Modderfontein.**—Capital, £1,400,000, in £4 shares. Six tube mills in use. Present capacity of plant, 52,500 tons per month. Additional plant of capacity of 40,000 tons monthly arranged for.

Year to June 30	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1913-14	180	510,350 4½	990,352 38/9	437,663 17/1	552,689 21/8	13½
1914-15.						
Sept. qr. 180	156,500 15½	282,809 36/1	116,370 14/10	166,439 21/3	—	
Dec. qr. 180	150,400 17	284,349 38/1	117,643 15/8	168,706 22 5	—	
Mar. qr. 180	149,100 17½	288,546 38/8	122,852 16/6	165,694 22/2	13½	
June qr. 180	155,500 —	311,968 40 1	129,391 16 7	182,597 23/6	14½	
12 mos. —	611,500 —	1,169,632 33 3	485,256 15/11	683,436 22/4	14½	
1915-16.						
July ... —	52,500 —	107,732 39 6	44,430 16 11	53,302 22 7	14½	

Returns include profit from accumulated slimes.

Dividends—1914, June, 15; Dec., 15 per cent.  
1915, June, 16½ per cent.

**Modderfontein B.**—Issued capital £700,000, in £1 shares. Plant capacity increased August 1914 to about 40,000 tons a month.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price end of Period
1914 ...	83½	440,000 10	790,132 35/11	342,328 15/7	447,804 20/4	—
1915.						
Mar. qr. 96	120,700 12	231,021 38/3	93,922 15 7	137,099 22 8	4½	
June qr. —	123,200 —	241,979 39/3	99,978 16/2	142,001 23/1	5½	
July ... —	42,000 —	85,018 40 5	34,078 16/2	50,940 24/3	5½	

Dividends—1914, June, 25; Dec., 30 per cent.  
1915, June, 32½ per cent.

**Nourse Mines.**—Issued capital £827,821, in £1 shares. Mill, 260 stamps, 7 tube mills, making capacity about 58,000 tons for the month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
June 30	Stps.	ing.	Amt.	Amt.	Per ton	end of
	Milled	%	£	£		Period
1913-14	260	533,800	14½ 764,408	28 4 572,381	21/3 182,226	7 1 1½
1914-15.						
Sept. qr.	260	155,200	11½ 189,144	28 8 152,963	19/9 46,141	5 11 —
Dec. qr.	260	140,800	14½ 189,415	28 13 144,767	21/3 39,618	5 7 —
Mar. qr.	260	152,100	15½ 191,501	28 2 163,738	21/6 27,763	3/8 1½
June qr.	260	154,000	— 209,700	28 3 165,111	21/6 44,591	5/9 1½
12 mos.	—	602,100	— 788,763	28 2 631,609	20/11 158,115	5 3 1½
1915-16.						
July ...	—	57,500	— 70,720	24 7 88,693	20 3 12,027	4 4 1½

Monthly profits include revenue from accumulated slimes.

Dividends—1914, June, 8½; Dec., 8½ per cent.

1915, June, 5 per cent.

**Primrose.**—£325,000, in £1 shares. Sundry revenue, say £390 per month, included in 1915 figures. Two tubes since December 1912.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1914	...157½ av.	275,800	—	307,482	22 3	172,518 12/6	134,934 9 9
1915.							
Mar. qr. 140		59,800	—	58,814	19 7	40,657 13/7	18,157 6/0
June qr. —		60,800	—	61,289	1—	39,448 11/10	21,811 6 7
July ... —		21,700	—	18,886	17 5	13,255 12/4	5,631 5/1

Dividends—1914, June, 20; Dec., 20 per cent.

1915, June, 20 per cent.

**Rose Deep.**—Capital, £700,000, in £1 shares, all issued. Seven tube mills.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit Amt. Per ton £	Price end of Period				
1914 ...	300	735,122	—	895,976	24/4	610,562	16/7	285,414	7/9	—
1915.										
Mar. qr.	300	179,300	13½	221,848	24/9	154,870	17 3	66,978	7/6	1½
June qr.	300	198,400	—	244,615	24/3	166,232	16/9	78,383	7/11	1½
July ...	—	68,600	—	81,196	23 8	57,714	16 10	23,482	6 10	1½

Dividends—1914, June, 20; Dec., 15 per cent.

1915, June, 17½ per cent.

**Van Ryn.**—£500,000, in £1 shares. Batteries, 180 stamps. Six tube mills.

Year to June 30	Tons Stps. Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit Amt. Per ton £	Price end of Period				
1913-14	138 av.	459,900	8½	50,109	26 10	351,143	16 6	285,966	10 10	3½
1914-15.										
Sept. qr.	140	115,500	8	114,350	25 10	82,494	14/3	66,371	11 6	—
Dec. qr.	140	116,900	7	147,905	25/2	82,572	14/1	64,481	11/1	—
Mar. qr.	140	114,720	8½	143,309	25/1	84,947	14 9	59,312	10 4	2½
June qr.	140	115,750	—	140,104	24 3	82,142	14/2	56,882	10 1	2½
12 mos.	140	462,820	—	501,414	25 1	332,645	14 4	248,399	10 9	3½
1915-16.										
July ...	140	37,750	—	43,253	22/11	27,009	14/4	14,244	8 7	2½

\* "Decreased profit for July is due to temporary falling off in stoep values."

Dividends—1914, June, 22½; Dec., 22½ per cent.

1915, June, 22½ per cent.

**Van Ryn Deep.**—Capital, £1,196,892, in £1 shares. 80 stamps, 8 tube mills, started July 14, 1913.

		Ton	Sort-	Revenue		(Expenses)		(Profit)		Price
		Stps. Milled	ing	Amt. Per ton		Amt. Per ton		Amt. Per ton		end of
			%							Period
1914 ...	77½	483,090	11½	895,948	33 4	394,912	16/4	411,036	17/0	—
1915.										
Mar. qr.	80	136,530	13½	234,938	37/2	163,193	16/3	131,745	20 11	2½
June qr.	80	126,100	—	234,576	37/2	164,695	16/7	129,981	20/7	2½
July ...	—	44,250	—	80,206	36/3	35,699	16 5	44,507	19/10	2½

Dividends—1914, June, 12½; Dec., 12½ per cent.

1915, June, 15 per cent.

**Village Deep.**—£1,060,671, in £1 shares. 180 stamps; seven tube mills.

Yr. ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit Amt. Per ton £	Price end of Period			
1914 ... 1915.	180	601,454	11	839,397	27/10	530,584	17/7	368,813	10/3	—
Mar. qr.	180	150,100	12½	205,173	27/4	139,008	18/6	66,165	8/10	1½
June qr.	180	155,900	—	226,773	29/1	146,881	18/10	79,892	10/3	1½
July ...	—	52,000	—	78,163	30/1	48,979	18 10	23,184	11/3	1½

Dividends—1914, June, 10; Dec., 11½ per cent.

1915, June, 10 per cent.

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Piura,	Callao,	Mollendo,
Chiclayo,	Cerro de Pasco,	Arequipa,
Pacasmayo,	Chincha Alta,	Cuzco,
Trujillo,	Ica,	Iquitos,
Huaras,	Huancayo,	Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

## NATIONAL BANK OF EGYPT.

Established by Khedival Decree, June 1898, with the exclusive right to issue Notes payable at sight to bearer.

Capital, £3,000,000 in 300,000 Shares of £10 each, fully paid. Reserve Fund, £1,500,000.

Governor: F. T. Rowlatt, Esq. Head Office: Cairo.

London Committee -

E. W. P. Foster, C.M.G. Hon. Algernon Mills.

Hon. Hugo Baring. Sir Carl Meyer, Bart.

Hon. Sidney Peel.

LONDON AGENCY:

6 & 7 KING WILLIAM STREET, LONDON, E.C.

Manager: J. T. Beatty-Pownall.

Assistant Manager: A. F. Gillbee.

Accounts opened with traders and private persons.

Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria, Assiout, Assuan, Benha, Beni-Suef, Chibin-El-Kom, Damanhur, Fayoum, Keneh, Luxor, Mansourah, Minieh, Mousky (Cairo), Port Said, Sohag, Tantah and Zagazig; and in the Sudan at Khartoum, Port Said and Suakim

## HONGKONG and SHANGHAI

BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000

RESERVE FUNDS.

STERLING RESERVE,

held in London at Exchange of 2s. per \$

= £1,500,000 Sterling,

invested in Consols

and other Sterling

Securities ... .. \$15,000,000

SILVER RESERVE ... .. 18,000,000

RESERVE LIABILITY OF PROPRIETORS ... .. \$33,000,000

COURT OF DIRECTORS AND HEAD OFFICE

IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.

Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable

June 30 and December 31.

Sir CHARLES ADDIS, Managers

H. D. C. JONES, in London.

JOHN MACLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

## THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704

RESERVE FUND ... .. £1,033,410

Petrograd. Moscow. Paris.

And over 100 Branches in Russia.

London Offices:

24 28 LOMBARD STREET, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Current Accounts opened and deposits received on terms which may be ascertained on application.

## COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout

Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.

London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

## STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100

PAID-UP CAPITAL ... .. £1,548,525

RESERVE FUND ... .. 2,000,000

UNCALLED CAPITAL ... .. 4,645,575

£8,194,100

BOARD OF DIRECTORS—

W. R. Arbuthnot, Esq. Horace Peel, Esq.

Sir David Miller Barbour, William Smart, Esq.

K.C.S.I., K.C.M.G. Right Hon. Lord

Robert E. Dickinson, Esq. Sydenham, G.C.S.I.,

James Fairbairn Finlay, G.C.M.G., G.C.I.E.,

Esq., C.S.I. Rt. Hon. Lord Welby,

P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE,

LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 220 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

## BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

City Office: 1 Old Broad St., E.C.

West-End Agency: 12 Waterloo Place,

Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Consolo.

Sub-Managers: A. Rossi.

R. B. Handley.

G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANCAISE et ITALIENNE POUR L'AMERIQUE DU SUD, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and

SOCIETA COMMERCIALE D'ORIENTE,

Milan and Tripoli.

Agents and Correspondents in all parts of the world.

## LONDON BANK of AUSTRALIA LIMITED

71 Old Broad Street, E.C.

Subscribed Capital ... .. £1,276,747 10 0

Paid-up Capital ... .. 669,587 10 0

Reserve Fund and Undivided

Profits ... .. 328,317 13 0

Reserve Liability of Proprietors 607,160 0 0

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

## UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.

Paid-up Capital ... .. \$5,000,000

Rest and Undivided Profits ... .. \$3,600,000

Total Assets over ... .. \$80,000,000

The Bank has over 300 Branches in Canada and Agents in the principal Cities in AMERICA

London Committee:

J. Leigh Wood, Esq., C.M.G.;

Hon. Sidney Peel; F. W. Ashe, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to

LONDON OFFICES: 16 PRINCES STREET, E.C.

26 HAYMARKET, S.W.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital ... .. Yen 48,000,000

Capital Paid up ... .. „ 30,000,000

Reserve Fund ... .. „ 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien Kobe New York

Bombay Liao Yang Osaka Peking

Calcutta London Ryojun (Port

Changchun Los Angeles Arthur

Dairen (Dalay) Lyons San Francisco

Hankow Fengtien Shanghai

Harbin (Mukden) Tientsin

Hong Kong Nagasaki Tientsin Tokio

Honolulu Newchwang Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manage

London Office—

7 Bishopsgate, E.C.

## CANADA.

**THE DOMINION BANK.**

HEAD OFFICE: TORONTO.

TOTAL ASSETS: \$80,500,000.

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.  
C. A. BOGERT, General Manager.**LONDON BRANCH, 73 CORNHILL, E.C.**

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.  
General Banking Business transacted. Information  
furnished regarding Canadian matters.**CITY OF REGINA FIVE PER  
CENT. DEBENTURE LOAN.**

The Coupons falling due 1st September, 1915, on the above-mentioned Debentures should be presented, between the hours of 10 and 2 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle Street, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,  
G. C. CASSELS, Manager.47 Threadneedle Street, E.C.,  
17th August, 1915.**MEYER AND CHARLTON  
GOLD MINING COMPANY, LIMITED.**  
(Incorporated in the Transvaal.)

DIVIDEND No. 51.

NOTICE IS HEREBY GIVEN that Warrants in respect of Dividend No. 51 of 8s. per Share have this day been posted to all European Shareholders (other than those resident in enemy territory) registered on the 30th June, 1915.

Holders of Share Warrants to Bearer will receive payment (8s. per Share) on presentation of Coupon No. 34 at either of the under-mentioned places:-

JOHANNESBURG: At the Head Office of the Company, General Mining Buildings.

LONDON: At the Offices of the Company, 63/64 Winchester House, Old Broad Street, E.C.

PARIS: At the Crédit Lyonnais, 19 Boulevard des Italiens.

Coupons presented at the London Office for account of holders resident in the United Kingdom will be subject to a deduction at the rate of 2s. 6d. in the £ in respect of English income tax.

All Coupons presented in Paris, as well as those presented elsewhere for account of holders resident in France, will be subject to a deduction at the rate of 1s. 3d. in the £ in respect of French taxes.

Coupons presented in Johannesburg must be accompanied by a declaration of ownership, of which forms can be obtained on application.

Coupons presented in London must be left four clear days, and in Paris ten clear days, for examination, and may be lodged any day (Saturdays excepted) between the hours of 11 and 3 o'clock.

Listing forms may be obtained on application.

By Order,

T. FREDK. THORNE,

London Secretary.

63/64 Winchester House,  
Old Broad Street, E.C.,  
17th August, 1915.**CITY OF TOKYO FIVE PER  
CENT. LOAN OF 1912 STERLING  
ISSUES: £5,175,000.**

NOTICE IS HEREBY GIVEN that the Coupons due 1st September, 1915, will be paid on and after that date (Saturdays excepted), between the hours of 11 and 3, by the Yokohama Specie Bank, Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to their payment.

The Yokohama Specie Bank, Limited,  
K. TATSUMI, Manager.7 Bishopsgate, E.C.,  
17th August, 1915.**NEW GOCH GOLD MINES  
LIMITED.**  
(Incorporated in the Transvaal.)

DIVIDEND No. 6.

NOTICE IS HEREBY GIVEN that Warrants in respect of Dividend No. 6 of 1s. per Share have this day been posted to all European Shareholders (other than those resident in enemy territory) registered on the 30th June, 1915.

Holders of Share Warrants to Bearer will receive payment (1s. per Share) on presentation of Coupon No. 6 at either of the under-mentioned places:-

JOHANNESBURG: At the Head Office of the Company, General Mining Buildings.

LONDON: At the Offices of the Company, 63/64 Winchester House, Old Broad Street, E.C.

PARIS: At the Crédit Lyonnais, 19 Boulevard des Italiens.

Coupons presented at the London Office for account of holders resident in the United Kingdom will be subject to a deduction at the rate of 2s. 6d. in the £ in respect of English income tax.

All Coupons presented in Paris, as well as those presented elsewhere for account of holders resident in France, will be subject to a deduction at the rate of 2s. 6d. in the £ in respect of French taxes.

Coupons presented in Johannesburg must be accompanied by a declaration of ownership, of which forms can be obtained on application.

Coupons presented in London must be left four clear days and in Paris ten clear days for examination, and may be lodged any day (Saturdays excepted) between the hours of 11 and 3 o'clock.

Listing forms may be obtained on application.

By Order,

T. FREDK. THORNE,

London Secretary.

63/64 Winchester House,  
Old Broad Street, E.C.,  
17th August, 1915.**THE STOCK EXCHANGE.**

## NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the  
Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

EXECUTORS, TRUSTEES, SOLICITORS and OWNERS selling Works of Art, Family Jewels, Old Silver, Furniture, Pictures, Prints, Miniatures, China, Coins, Books, Old Lace, Furs, Musical Instruments, Guns, Trade Stocks and other valuables are informed that Messrs.

**KNIGHT, FRANK & RUTLEY'S**  
Sale Rooms, 20 HANOVER SQUARE, W.,  
are Open Daily to receive Goods intended for  
Public Sale.

Auctions on owners' premises in all parts of the country  
are held as required.

**NORFOLK AND WESTERN  
RAILWAY COMPANY.**

The Board of Directors has declared a quarterly Dividend of One and One-half Per Cent. upon the Common Stock of the Company, payable at the Office of the Company, Commercial Trust Building, Philadelphia, Pa., September 18, 1915, to the Common Stockholders as registered at the close of business August 31, 1915.

E. H. ALDEN, Secretary.

**B.I. REGULAR SERVICES  
TO**EGYPT, CEYLON, INDIA, PERSIAN  
GULF, EAST AFRICA, MAURITIUS,  
BURMAH, STRAITS, CHINA, JAPAN  
AND AUSTRALIA.**WELL-APPOINTED STEAMERS.**

For further information please apply:-  
JRAY, DAWES & Co., 23 Great Winchester  
Street, E.C., and 16 Northumberland Avenue,  
W.C.; or GELLATLY, HANKEY & Co.  
Dock House, Billiter Street, E.C., and 62  
Pall Mall, S.W.

**PERRY'S  
TRADE PROTECTION OFFICES**  
(Established 1776),  
Bush Lane House, Bush Lane, Cannon St.,  
LONDON.Status Inquiries made as to the position and standing  
of Traders and others.PERRY'S GAZETTE & LIST OF CREDITORS  
are published Weekly, and are valuable to  
everyone in business.

Debts recovered and paid over promptly.  
Particular attention is called to the fact that this  
is the only Trade Protection Society that possesses at  
its offices in London Registers containing full Bank-  
ruptcy and other Registered Information, together  
with Status information FOR THE WHOLE OF THE  
THREE KINGDOMS.

TERMS from £1 1s. upwards, according to require-  
ments. PROSPECTUS and further particulars on  
application.

**THE NATIONAL BANK OF SCOTLAND LIMITED**

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.**Head Office—EDINBURGH.**

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

**London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.**

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are refired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.



Treasury Bills:—				
	3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price	...£98 17s. 3 $\frac{1}{2}$ d.	£97 14s. 7 $\frac{1}{2}$ d.	£96 12s. 5 $\frac{1}{2}$ d.	£95 10s.
Discount Rate	4 $\frac{1}{2}$ %	4 $\frac{1}{2}$ %	4 $\frac{1}{2}$ %	4 $\frac{1}{2}$ %
Discount Rates:—				
	60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills	...	...	4 $\frac{1}{2}$ %	5 $\frac{1}{2}$ %
Trade Bills	...	...	5 $\frac{1}{2}$ %	6 %

## THE POSITION OF MONEY.

THE dramatic fall in the American exchange early this week to 4.64 for sight drafts created a good deal of uneasiness lest the Bank of England rate should be raised above 5 per cent. In normal times such action would have been taken for the purpose of checking the export of gold to New York, and attracting gold from other countries. But at such a time as this the ordinary machinery has ceased to operate, for the very good reason that for the time being Great Britain has temporarily become a debtor instead of a creditor nation, and very different machinery is needed to stop the export of gold when a country is heavily in debt to that which is required when the rest of the world is indebted to it. The enormous purchases of goods by this country from other lands since the War began, and the relative smallness of our exports to pay for them, have brought us into the position of owing large sums of money to the United States which have to be provided, and an advance of the Bank of England rate in existing circumstances would probably do little or nothing to stop the demand upon London for gold. Indeed, the only way of meeting the existing situation is by exporting gold freely, by selling American securities, and possibly by the creation of credits in New York. But until the latter is arranged the only available method is by shipments of gold and of securities.

We do not anticipate much difficulty will be experienced in settling the existing indebtedness. It is the prospective indebtedness that is the important matter. We have placed very large orders for munitions and war equipment in the United States, and the delivery of these in the next few months will entail heavy payments. Further, we are coming into the period of the year when normally cotton, wheat and other shipments from the United States to this country are very heavy. It is possible that this year, especially with exchange at a discount, the shipments may be sensibly reduced. For one thing, the stock of American cotton in Liverpool is heavy, amounting to about 1,100,000 bales against 625,000 bales last year, and only 459,000 bales two years ago, and if we use up this stock of cotton before purchasing additional amounts, as we shall be disposed to do with a low exchange, the situation will be assisted. Again, we have in London a very large stock of wool for which we have paid already, and with a premium on exports which the discount on exchange provides we ought to ship a large part of this wool to the United States, where it is much wanted. In the same way exports of other goods to the States should be stimulated, while imports from the States should be curtailed. It is possible, therefore, that the trade balance in favour of the States may in this way be less large than otherwise it would be.

After advancing to 5 per cent. the rate for three months' bills has eased off to 4 $\frac{7}{8}$  per cent., as no advance has been made in the Bank rate and as a conference of New York and English bankers is expected to be held shortly. To-day the rate for three months' bills is 4 $\frac{7}{8}$  per cent., while for four and six months' drafts the quotation is 5 $\frac{1}{2}$  per cent. It is, of course, essential that rates of discount should be maintained at close to Bank rate. It is true that America does not need to import gold, the stock there being greatly in excess of what the country needs, but the fact remains that at the present moment large shipments of gold are needed to adjust the situation. We are not

without hope that American bankers will realise how much it is to the interest of the United States to enable this country to continue to purchase goods freely without having to remit an unduly large amount of gold. Indeed, the reports from the States this week indicate that American bankers recognise the worst thing for America would be that Great Britain should be compelled to adjust its trade balance by drastic economy. Nevertheless, until some arrangement is reached for settling the trade balance in securities, it is essential that the open-market rate of discount should be maintained at close to Bank rate in order that every possible inducement should be given to America to leave surplus funds for employment in this market over and above the inducement afforded by a low exchange. One must, however, bear in mind that this year American tourist expenditures in Europe are abnormally small, and that money which usually comes to us in the autumn in wheat and cotton to pay for these expenditures will not have to be sent this year. From whatever point of view the matter is regarded, therefore, it is evident that our trade balance with the States will be exceptionally adverse for some months to come after the existing situation is adjusted, and it is obvious that unless credits are arranged the country must reduce its consumption and its imports.

The urgency of the matter is now fully appreciated in London as well as in New York, and steps are about to be taken to rectify the situation. It is obvious, however, that whatever steps are taken by bankers to obtain credits in New York, the trade balance will still remain adverse unless the British people curtail their consumption and thereby reduce their imports and expand their exports. Indeed, the really essential matters for thought are not only how much the country owes at the present moment, but how soon the country's expenditures can be curtailed to the limits of its purchasing power. Measures for the purpose of dealing with the permanent situation cannot be taken for several weeks, and they must be preceded by action upon our existing indebtedness to the States and the further indebtedness that will be created in the next few weeks.

The considerable sales of American securities now being made from week to week are helping us to pay for the goods we are buying, but the break in exchange this week, if should be noted, is notwithstanding the large quantity of securities we have sent recently to New York. The gold shipments the last day or two and the report that a conference is being arranged between London and New York bankers for the purpose of arriving at a settlement have had a strengthening effect upon the exchange, which, after oscillating violently, now stands at 4 67 $\frac{1}{2}$ . The total amount of gold sent to the United States this week has been over £5,000,000. On the other hand, £1,500,000 has been received, and the net efflux is nearly £4,000,000. Fortunately nearly £5,000,000 of gold has come in from the country and on balance over £1,000,000 has been received by the Bank.

## BANK OF ENGLAND.

THE feature of the Bank return was the great influx of £4,976,000 in gold from the country, which more than offset the efflux on balance of £3,588,000 on foreign account. The net addition to the gold was £1,388,000, bringing the amount to £17,176,000. As the note circulation declined £505,000 the addition to the reserve was £1,893,000, raising the aggregate to £53,618,000. The stock of gold is now £67,126,000. The public deposits have been reduced £39,940,000 to £102,664,000, and the "other" deposits have increased £39,560,000 to £124,636,000. There was a reduction of £300,000 in the Government securities, making a total reduction of not quite £8,000,000 in three weeks. The "other" securities have declined

£1,952,000 to £16,181,000. Here the reduction in three weeks has been less than £16,000,000. The proportion of reserve to liabilities is somewhat higher at 23.78 per cent. An additional £2,300,000 of currency notes has gone into circulation, bringing the aggregate to £51,086,000, against which the stock of gold is unchanged at £28,500,000.

MONEY IN NEW YORK.

Our great purchases in America have had the effect this week of causing the American exchange to fall to a very low figure, from which, however, there has been a recovery in consequence of the steps that have been taken in London to adjust the situation. No official announcement has yet been made about the action to be taken, but there is a general impression that it is in the direction of arranging for a conference of London and New York bankers. The cash reserves of the New York banks have increased £1,600,000, the addition to the loans was £1,500,000, and the gain in the deposits £2,200,000. Consequently there was an addition to the surplus reserve of £1,300,000, bringing the aggregate to £35,116,000. The supply of money in New York is abundant, and short loans can be obtained at 2 per cent., while time money on good collateral can be had without difficulty at from 3½ to 4 per cent.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate	Par as usually quoted	Dis- count %
London ... sight	\$4 12½	4 86½ dollars for £1	10
" ... cables	\$4 12½		
" ... 60 days	\$4 12½		
Amsterdam ... sight	81½c.	40½ cents for 1 guilder	0.8
Berlin ... sight	81½c.	95 cents for 4 marks	1.5
Copenhagen ... cheques	25.00c.	20½ cents for 1 kronen	1.3
Italy ... sight	6.44l.	5.18 lire for \$1	2.3
Paris ... sight	5 11fr.	5.18 francs for \$1	1.1
Petrograd ... sight	34c.	5½ cents for 1 rouble	3.5
Mexico ... Mex. silver \$	38c.	50c. U.S. for 1 Mex. \$	2.0
Switzerland ... sight	5 34fr.	5.18½ francs for \$1	3.1
Vienna ... sight	15 1c.	20½ cents for 1 kronen	25.4

Rates for prime commercial paper and for call loans in New York are as follows:—

Aug. 19, 1915 ...	Prime paper ...	3½-3¾%	Call money ...	2%
Aug. 20, 1914 ...	" " ...	6½-7%	" " ...	6-8%

POSITION IN INDIA.

THERE has been no change in the situation in India, and telegraphic transfers are quoted 1s. 3¾d. No applications were made for Council drafts this week. The stock of silver in the Currency Department is slightly lower this week at 4,007 lacs.

SILVER

AFTER the strength of last week there was a reaction in the price of silver from 23 1-16d. to 22¾d. The last day or two the market has been firmer, in consequence partly of buying from China, and the price has recovered to 22 15-16d.

Stock Exchange.

In the days to come we shall probably look back to the past week as a week of exceptional discomfort. The Russian Army has continued to withdraw into the interior of Russia, and although succeeding in maintaining its line it has not been able to prevent the continued march of the German Army or the isolation of some of its great fortresses. In the Balkans no fresh developments appear to have occurred other than the effort of the King of Greece to win over M. Venizelos to his own views—a task which would seem to be of great difficulty. Financially the week has witnessed a sudden break in the American exchange upon London to the lowest point ever recorded, the sight rate having at one time declined to 4 64, or nearly 5 per cent. discount.

But, in spite of the adverse features in the situation, neither the Stock Exchange nor the British people have for one moment wavered in their confident expectation of ultimate success. They believe that the Russian Armies will succeed in maintaining their lines and that sooner or later they will catch their foes at a disadvantage. Nor has the break in the American exchange caused them more than a moment's perturbation as they realise that this country is quite able to pay for all the goods it has bought in the past and for all the goods it will or ought to buy in future, and that the real reserves of strength in this country have not yet been tapped. We entirely endorse the general view. The events of this week have made the British people more and more determined to do all that is essential to secure victory, and to provide all the money, men, and munitions that may be needed. To adjust the foreign exchanges all that is required is that the country should become more economical in its private expenditures, and in this manner reduce its imports and increase its exports. The Register taken last Sunday has disclosed the large reserves of man-power that exist, and that will be made available either for the production of munitions, for increasing the productive power of the country, or for strengthening the Army as time goes on. Of course, everyone realises that the task before the nation is a very great and onerous one, but the greater and more onerous it is the greater is the determination to carry it through and to do everything essential to that end. If it is necessary to settle our indebtedness to America by exports of gold, not much difficulty would be experienced in gathering together and in shipping £100,000,000 of the metal. Beyond this we are in a position to send great quantities of American securities either for sale or for loan.

If increased production is really essential, the British working man will work harder and more regularly. Indeed, whatever is essential it is evident will be done. The proposal to send a delegation from London to the United States to discuss the exchange question is a step in the right direction. Moreover, it is now evident that when Parliament meets it will be prepared to pass any measure that is essential for placing the finances of the country upon a thoroughly sound basis. Therefore, in spite of the fact that the current of events has seemed to be adverse in the past week, the underlying conditions are not unfavourable. As far as markets for securities are concerned we regard the fall in the American exchange and the decision to send a Committee to America as a favourable one, as it means that steps must now be taken to adjust the exchange by other measures than the mere selling of American securities, and that the country will introduce economies by which the need to sell securities will be greatly reduced if not entirely eliminated. We anticipate, indeed, that the Stock markets will become much stronger and more active when the country has really become more economical and when the great excess of its expenditure over its income disappears. It is now obvious that this state of affairs will probably be witnessed in the not distant future.

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## Mining Topics.

THE native labour roll of the Witwatersrand at the end of the month of July was returned as 190,026, and this is a larger number than at any time since the denudation of natives brought about by the white labour agitation late in the first half of 1913. The maximum number of labourers in the first half of 1913 was 205,424, and about the time of and after the June strike an exodus occurred, and the minimum number in employ was brought down to 147,569 in November. Since then, almost uninterruptedly, there has been a gradual increase to the present number of 190,026. To some, if not to a large extent, the outbreak of the European War in the middle of 1914 assisted the labour supply of the Rand, as owing to the general closing down of the diamond mines a large number of the natives formerly employed in diamond production transferred their affections to the Rand. Superadded to the increased native labour supply there has also been growth in efficiency in securing an increased tonnage, in part due to the increased actual work of the boys themselves, but largely consequent on the extensive employment of

labour-saving appliances, and the resort to the use of rock-drills, both large and small. Hence, notwithstanding the depletion of white labour owing to the "rebellion" in South Africa in the autumn of last year, and the volunteering of miners to assist in the campaign in German South-West Africa, the quantity of ore dealt with on the Rand in the first six months of 1915 was larger, and the value of the gold produced was approximately 18 millions, against about £16,600,000 in the first six months of 1914. The output for the month of July 1914 was £2,983,000, while for the same month this year it has been £3,154,000—these are round figures. In the main this increase is attributable to the coming into production of new mines, and more particularly to the increased output of the Far Eastern Rand, though the Rand as a whole has been putting its back into the work of getting out as much gold as possible, so as to help the world's requirements in the present circumstances.

## RAND PROFITS.

A contrast of the profits of each of the last four months is given below. It should be noted that sundry revenue is included in the profits:—

	£ July	£ June	£ May	£ April
Aurora West ...	4,162	4,287	3,812	4,050
Bantjes ...	1,304	1,756(b)	5,245	7,580
Brakpan ...	32,181	29,653	29,046	28,155
City and Suburban ...	20,625	20,414	21,148	20,196
City Deep... ..	62,196(c)	53,759	50,673	46,271
Cons. Langlaagte ...	31,677	31,270	31,428	31,366
Cons. Main Reef... ..	12,322	12,936	11,927	11,680
Crown Mines ...	101,531	108,807	117,674	108,018
Durb. Rdprt. Deep ...	5,829	6,048	6,355	5,082
East Rand Propy. ...	55,548	52,020	60,020	61,850
Ferreira Deep ...	31,490	23,060	21,655(a)	38,840
Geduld ...	12,645	11,780	11,666	11,742
Geldenhuis Deep ...	10,353	10,105	10,450	8,676
Ginsberg ...	4,070	4,059	3,743	3,622
Glencairn ...	2,387	2,324	2,178	1,760
Glynn's Lydenburg ...	3,001	2,239	2,739	3,441
Goch ...	8,061	7,123	8,724	9,079
Government Areas ...	17,567	14,727	13,037	11,086
Heriot ...	9,006	8,756	9,019	9,092
Kleinfontein ...	24,233	22,103	23,007	22,343
Knight Central ...	2,596	3,145	3,856	3,915
Knights Deep ...	14,081	16,023	16,673	12,337
Langlaagte Estate ...	12,803	13,668	13,492	14,102
Luipaard's Vlei ...	3,042	3,340	458	2,365
Main Reef West ...	4,334	4,294	4,552	4,474
Meyer and Charlton ...	20,037	20,200	20,816	20,364
Modderfontein ...	59,362	64,947	61,171	56,479
Modderfontein B ...	50,940	45,921	50,254	45,826
Modderfontein Deep ...	34,874	30,242	29,214	26,971
Nigel ...	—	1,460	978	3,446
Nourse ...	12,827	16,356	15,278	12,957
Primrose ...	5,631	7,463	7,356	7,022
Randfontein Central ...	57,032	57,089	52,317	46,679
Robinson Deep ...	25,034	25,203	25,500	25,994
Robinson Gold ...	41,070	43,637	49,512	46,631
Rodepoort United ...	81	1,504	1,580	1,215
Rose Deep ...	23,482	26,628	27,163	24,592
Simmer and Jack ...	32,565	30,169	28,689	29,143
Simmer Deep ...	5,000	5,753	5,742	5,033
Transvaal Gold ...	15,547	15,923	10,817	13,582
Unified Main Reef ...	5,208	5,177	5,262	5,179
Van Ryn Deep ...	44,507	44,380	42,570	43,031
Van Ryn G. M. ...	16,244(d)	19,480	19,093	19,479
Village Deep ...	29,184	28,388	26,811	24,693
Village Main Reef ...	24,097	23,347	23,991	21,508
West Rand Consolidated ...	9,700	9,418	7,585	6,125
Witwatersrand Deep ...	18,352	18,321	22,205	20,122
Witwatersrand Gold ...	24,822	24,392	25,083	25,724
Wolhuter ...	13,068	14,023	14,458	12,934

(a) Shaft accident.

(b) Reduced profit due increased costs, owing shortage labour and return to more normal recovery. Grade April and May abnormally high.

(c) Return states "yield recently has been higher than that called for by the ore reserves."

(d) Decreased profit due to temporary falling off in stope values.

The continued expansion of the gold production of the Rand is a substantial market reason for the strength that has been displayed in this section of the Mining market. It is true that prior to the War prices of good as well as of indifferent Rand mining shares had experienced a very heavy and long-continued fall, but instead of the shares of good properties being still further affected, in several directions prices, after the

declaration of war, which led to a higher quotation, and in several directions the rise has been a very appreciable one. Undoubtedly the knowledge that work was being continued uninterruptedly in this region contributed to the strength of the market for gold shares, and beyond this general consideration there were individual instances of extraordinary activity and increasing profits, due in some instances to increased tonnage, and in other directions to both this and to an increased profit per ton being obtained.

In several directions, where consideration is given to the quantity of ore reserves brought into sight and the probabilities of the remaining ore to be developed giving a respectable length of life to the property, shares even now offer attractions to those who take the trouble to arrive at valuations. The first essential, however, that attention has to be given to, is that in a property selected for speculative investment there should be reasonable assurance of an extended life, and we may here parenthetically advise those of our readers who are interested in the matter to confine their attention to the shares of companies owning properties of such character.

## GROWTH OF EASTERN RAND OUTPUT.

In the circumstances in which attention being given to the Far Eastern Rand region it may be of interest to have the position as to the crushing capacity of those mines which have already achieved the stage of production or have made preparations for the erection of plant. In the table below we make a contrast of what is the present rate of production per annum, based on the output of July this year, with the actual production of the whole of 1914 or the last complete year of operations. We also interpolate in the table notes as to contemplated additions to plant, and then as a rough-and-ready guide we give the profit per ton made in the last completed year and the profit for July of this year. It will be noted there are nine companies already at the stage of production.

	Output 1914	Profit per Ton	Rate of Output	Profit per Ton July 1915
Kleinfontein ...	601,000	8/9	630,000	8/7
Probable addition of Benoni mill capacity of 360,000 tons by end of 1916.				
Van Ryn ...	462,000	10/10	450,000	8/7
Van Ryn Deep ...	483,000	17/0	500,000	19/10
Brakpan ...	621,000	9/1	760,000	10/0

Till this year erected plant has not been worked to full capacity.

Modderfontein ...	510,000	21/8	630,000	22/7
Additional plant being erected at Central Shaft, of capacity equal to extra 480,000 tons a year, expected to be started about the middle of 1916.				

Modderfontein B. ...	440,000	20/4	500,000	24/3
Increase from now on to total rate of 540,000 tons a year.				

Modderfontein Deep	Started Dec. —	410,000	20/3
Additional plant to deal with extra 480,000 tons a year expected to be ready by middle of 1916.			

Government Areas ...	Started Oct. 5/0	540,000	7/8
In April 1915 it was decided to double the plant, and by the autumn of 1916 the rate of output may be increased to about the total rate of 1,100,000 tons a year.			

Geduld ...	244,000	7/4	310,000	9/8
An early decision to appreciably increase plant is probable.				

The nine companies in the last year of operations dealt with a total of 3,361,000 tons. The present quantity as by July quantity of ore crushed is at the rate of 4,730,000 tons per annum, and the additional plant already decided upon, irrespective of any possible addition by the Geduld, will raise the capacity of the nine companies a further 2,400,000 tons by the end of 1916.

Yet another Company is making preparations for reaching the stage of production, namely, the Springs Mines, Limited, which is erecting plant of a capacity to deal with 360,000 tons a year. This plant is expected to be ready for starting by the last quarter of 1917. The Daggafontein Mine, at which operations for the time being are suspended, is endeavouring to make arrangements whereby the mine may be brought to the producing stage.

## ROBINSON DEEP.

In his speech at the meeting of the Company held in June last the Chairman gave an estimate of the life of the property from April 1, 1915, of fifteen years, and this apparently is based on an annual consumption of about 600,000 tons. Of the ore mined in the year to March 31, 1915, 8½ per cent. was sorted out, and the approximate 585,000 mill tons crushed gave an extraction of 28s. 6d. per ton. The ore reserves are given an average assay value of 25s. 6d. per ton. In the Chairman's speech mention was made that it was hardly to be expected that a consistent grade will be maintained from period to period to correspond with the average value of the ore reserves, as on account of the limited area which remains for attack the ore will be drawn more or less as it comes to hand.

The fully developed ore reserves at March 31, 1915, were 1,513,000 mine tons, and after allowance for sorting such quantity of reserves equals a little over two years' supply for the plant.

There has been some trouble in effecting the safety of the No. 2 Shaft, and every effort is being made to strengthen the shaft; in the year under review approximately 230,000 tons were sent underground for strengthening the support of the No. 2 vertical and inclined shafts. The labour roll of the Company has been maintained and recently added to. The average number of boys employed during the year was 3,534, or an increase of 167 over the average of the previous year, and by the end of June the number had increased to 4,297.

A contrast of results of the 1915 period with those of 1914 is set out below:—

	Year to March 31, 1915	Per Ton	1914	Per Ton
Gross receipts ... (585,730 tons)	£ 827,363	28 s. 6 d.	£ 851,023	27 6
Expenses ...	513,593	17 6	526,898	17 0
Mine profit...	313,770	10 9	324,125	10 6
Sundry net revenue	5,901		7,516	
	£ 319,671		£ 331,641	
Appropriations:				
Depreciation ...	11,563		10,580	
Government taxes ...	25,732		22,299	
War expenditure...	2,995			
Dividends ...	224,000	(27 1/2)	275,000	30 7/8
Surplus ...	54,381		24,562	
Balance brought forward	100,408		118,342	
	£ 154,789		£ 142,904	
Applied to reserve ...	10,000		6,588	
Govt. annuities for claims ...	20,745		30,708	
Balance forward ...	113,784		105,408	
	£ 144,529		£ 142,196	

## RAND DEVELOPMENTS.

Bantjes.—Recent developments are shown below:

	Main Reef Leader			South Reef		
	Distance Exposed	Width	Assay	Distance Exposed	Width	Assay
	Ft.	In.	s. d.	Ft.	In.	s. d.
1914, Mar. qr. ...	575	18	52 1	1,540	12	61 9
" June qr. ...	795	22	33 7	1,420	12	55 10
" Sept. qr. ...	850	13	47 11	1,835	12	50 10
" Dec. qr. ...	645	21	32 4	1,865	13	56 8
1915, Mar. qr. ...	875	20	32 9	1,288	14	51 8
" June qr. ...	825	14	46 7	1,245	10	71 5

Very little hopefulness is displayed in the quarterly report, which states: "Owing to the present inadequate supply of native labour the outlook for the current quarter is not good. The stope faces during the last month gave low values; and the shortage of labour may also be expected to cause delay to the re-starting of shaft-sinking and to the work of recovering the three remaining compartments of the main incline."

Consolidated Main Reef.—Recent developments, principally Main Reef Leader:—

	Feet on Reef	Length	Payable— Feet	Aver. Value*	Unpayable— Length	Aver. Value*
1914.						
Mar. qr. ...	1,911	1,196	44 7		866	14 10
June qr. ...	2,872	1,758	36 6		1,014½	13 7
Sept. qr. ...	3,042	1,622	39 6		1,420	16 7
Dec. qr. ...	3,344½	1,840½	45 0		1,504	16 1
1915.						
Mar. qr. ...	2,932½	2,162½	33 7		770	12 9
June qr. ...	3,803	2,935½	42 6		867½	13 2

\* Based on 48 inches width.

**City Deep.**—The June quarterly report states: "As compared with last quarter the labour strength has shown a great improvement." Quarterly developments below:—

Period	Main Reef Leader			Value Shilling-Inches
	Distance Exposed Feet	Width Inches	Assay s. d.	
1914.				
Mar. qr. ...	3,290	19	126 4	2,400
June qr. ...	3,165	19	109 7	2,090
Sept. qr. ...	2,480	23	73 11	1,699
Dec. qr. ...	2,272	26	90 8	2,355
1915.				
Mar. qr. ...	2,267	28	77 8	2,172
June qr. ...	2,190	28.2	105 10	2,983

**East Rand.**—Recent development showings (excluding shaft sinking) have been as follows:—

Period	Total Feet	Footage Sampled	Average Reef		Shilling-Inches
			Width Inches	Assay Value	
1914. Mar. qr. ...	10,965	8,374	27	43/9	1,181
June qr. ...	11,811	9,772	28	41/8	1,164
Sept. qr. ...	11,163	10,263	28	40/4	1,140
Dec. qr. ...	14,298	11,944	25	39/1	1,075
Year 1914* ...	51,237	40,363	22	50/7	1,111
1915. Mar. qr. ...	12,835	11,115	25	38/3	956
June qr. ...	15,229	11,125	29	34/5	1,000

\* Figures taken from annual report.

The quarterly report adds: "Development operations for the quarter have not, on the average, disclosed the usual percentage of payable ore, the figure for June being only 43 per cent."

The Quarterly Report further adds:—

Shareholders will realise from information already in their possession that development operations in the western section of the mine have necessarily been restricted owing to water troubles. Consequently, the greater proportion of the development footage has been affected in sections which were anticipated to be of lower value.

While, in these circumstances, too much importance should not be attached to the present development results, as an improvement may naturally occur at any time, it is necessary to point out that the ore reserves at the end of the year will be adversely affected by the low percentage of payable ore now being exposed.

**Geduld.**—Recent development results are given below:—

Period	Feet Sampled	s. d.	Inches	Shilling-Inches
1914 Mar. qr. ...	1,245	36 1	35.2	1,267
June qr. ...	1,375	30 7	38.1	1,162
Sept. qr. ...	1,565	28 0	30.6	856
Dec. qr. ...	1,175	25 1	39.9	997
1915 Mar. qr. ...	1,545	29 9	37.4	1,112
June qr. ...	1,795	37 5	39.6	1,481

The June quarter's developments are the best of any yet secured as to assay average, and nearly the best as to average of reef width. The combination that results from shilling-inches given in the above table discloses a striking improvement during the past twelve months.

**Knight Central.**—Recent developments:—

Period	% of Pay Footage	Assay Value	Stopping Width Inches
1914 Mar. qr. ...	25.3	31 5	62
June qr. ...	37.8	33/2	57
Sept. qr. ...	28.1	29/9	52
Dec. qr. ...	37.9	27/7	64
1915. Mar. qr. ...	39.7	34/5	58
June qr. ...	37.2	30/2	61

**Modder Deep.**—Development showings as under:

Period	Sampled Feet	Value	Width Inches	Shilling-Inches
1914. Mar. qr. ...	3,345	39/6	48.8	1,928
June qr. ...	4,980	40/9	50	2,037
Sept. qr. ...	2,395	41.8	50.7	2,109
Dec. qr. ...		Not Issued.		
1915. Mar. qr. ...	180	43.9	53.5	2,330
June qr. ...	865	57.9	49.4	2,847

This Company, in view of plant extension, is preparing for increased tonnage by expanding its development work, and the June results have been very satisfactory. The successive increases in average assay value and the record of shilling-inches in the above table should be noted by those who are interested in this undertaking.

**General Mining and Finance Company Group.**—The recent development showings of the mines of this group are given below:—

Period	Sampled on Reef Feet	Payable-				
		Feet	%	Assay	Stopping Width Inches	Shilling- Inches
<b>Aurora West.</b>						
1914. Mar. qr....	1,140	735	64	41/2	46.74	1,923
" June qr....	1,395	855	61	36/8	42.0	1,537
" Sept. qr. ...	1,540	1,050	68	44/7	42.0	1,869
" Dec. qr. ...	1,165	855	75	41/0	42.0	1,722
1915. Mar. qr....	585	385	65	46/9	42.0	1,864
" June qr....	640	415	64	32 3	42.0	1,354

**Goch.**

1914. Mar. qr. ...	910	760	83	34/2	46	1,564
June qr. ...	1,053	893	84	35/9	50	1,787
Sept. qr. ...	1,075	845	79	66/2	56	3,701
Dec. qr. ...	970	355	36	31/1	50	1,550
1915. Mar. qr. ...	870	427	49	29/0	62	1,798
June qr. ...	1,002	705	70	34/7	56	1,932

**Meyer and Charlton.**

1914. Mar. qr. ...	815	565	69	112/6	49.69	5,590
June qr. ...	835	595	71	104/6	49.02	5,122
Sept. qr. ...	645	505	78	85/5	50.06	4,275
Dec. qr. ...	565	470	83	54/11	51.29	2,815
1915. Mar. qr. ...	835	470	56	62/1	50.0	3,100
June qr. ...	980	645	65	70/6	47.0	3,313

**Roodepoort United.**

1914. Mar. qr. ...	1,570	1,235	78	27/2	49.91	1,372
June qr. ...	1,840	1,340	72	25/3	48.67	1,238
Sept. qr. ...	2,525	1,045	40	21/8	51.93	1,121
Dec. qr. ...	2,255	665	29	28/4	48.40	1,369
1915. Mar. qr. ...	2,145	520	24	29/6	52.66	1,533
June qr. ...	2,030	1,170	57	26/9	46.77	1,251

**Van Ryn.**

1914. Mar. qr. ...	1,652	724	44	34/10	40	1,392
June qr. ...	1,681	1,212	72	37/10	42	1,587
Sept. qr. ...	956	813	82.9	47/7	40	1,904
Dec. qr. ...	536	511	96.3	39/1	37	1,446
1915. Mar. qr. ...	1,439	1,006	67.9	37 7	39	1,462
June qr. ...	3,246	693	77.0	48/0	43	2,064

**West Rand Consolidated.**

1914. Mar. qr. ...	1,250	660	52	68/10	46	3,164
June qr. ...	1,010	465	46	42/11	44	1,887
Sept. qr. ...	1,220	895	73	54/0	42	2,268
Dec. qr. ...	1,515	1,160	76	49/3	45	2,216
1915. Mar. qr. ...	1,310	775	59	43/4	44	1,906
June qr. ...	2,535	1,572	63	34/10	45	1,570

**Robinson Deep.**—Development disclosures below:

Period	Main Reef			M.R. Leader			South Reef		
	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1914. Mar. qr. ...	15	28.5	4 3	735	21.6	59 11	945	22.7	55 11
June qr. ...	—	—	—	382	30.3	58 7	647	21.7	70 1
Sept. qr. ...	126	44.5	8 0	277	23.6	54 10	813	19.3	110 0
Dec. qr. ...	—	—	—	327	26.9	71 4	884	14.8	103 4
1915. Mar. qr. ...	—	—	—	440	27.0	60 9	687	17.7	75 6
June qr. ...	—	—	—	522	27.2	65 9	895	14.9	86 3

**Simmer and Jack Proprietary.**—Developments below:—

Period	Main Reef			South Reef		
	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1914. Mar. qr. ...	428	20.1	32 9	153½	37.2	52 3
June qr. ...	340½	24.4	42 0	290½	33.8	41 3
Sept. qr. ...	396	19.8	50 2	224½	26.3	47 7
Dec. qr. ...	526½	21.5	41 10	273	26.6	68 10
1915. Mar. qr. ...	504	28.5	40 4	230	31.4	36 6
June qr. ...	527	23.9	45 6	413	23.3	43 9

**Simmer Deep.**—Quarterly developments below:—

Period	Main Reef			M.R. Leader			South Reef		
	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1914. Mar. qr. ...	770½	29.9	41 2	114	42.9	21 3	11½	42.3	34 5
June qr. ...	636	22.5	48 5	33	27.2	11 0	52½	39.0	35 8
Sept. qr. ...	693	42.4	31 5	107	33.5	19 1	1,582	53.0	25 5
Dec. qr. ...	596	39.8	26 4	177	38.6	26 9	1,813½	43.3	25 8
1915. Mar. qr. ...	670½	26.6	47 0	63	19.0	63 8	1,802½	37.8	31 7
June qr. ...	546½	24.1	65 4	91½	18.9	18 8	1,528	29.5	35 3

**Witwatersrand Deep.**—The development indications in respect of pay ore have been as follows:—

Period	Total Sampled Ft.	In Payable Ore		
		% of Total	Width In.	Assay s. d.
1914. Mar. qr. ...	2,353	1,642	69.78	48.80
June qr. ...	2,291	1,775	69.32	40.31
Sept. qr. ...	1,372	980	71.4	48.04
Dec. qr. ...	1,820	822	45.19	43.68
1915. Mar. qr. ...	1,960	950	48.47	48.37
June qr. ...	1,955	1,305	66.75	38.43

# GREAT BOULDER PROPRIETARY.

THE Great Boulder, despite past prognostications of an early demise, continues to operate with undiminished prosperity. The last annual report showed that in respect of the year 1914 the working profit amounted to £306,450, or over £10,000 more than in 1913. The quantity of ore dealt with increased slightly, compared with 1913, and the gold yield per ton varied to a fractional extent only. On the other hand, the working costs were 1s. per ton below the figure of the previous year, and this mainly accounts for the larger profit earned. Another satisfactory feature is that though the ore milled in 1914 was 212,930 short tons, the ore reserves at the end of the year declined only 62,000 short tons in comparison with the estimate at end 1913, while the gold contents per ton slightly increased. During the past four years the profits earned and the value of the ore reserves have been remarkably well maintained, as will be seen from the following:—

	Ore Milled (2,000 Lbs.)	Total Yield per Ton	Working Costs per Ton	Working Profit £ Per Ton	Ore Reserves— Tons	Value £ per Ton
1909 ...	216,280	58.7	28.7	30,518	32.5	841,128
1910 ...	216,280	58.7	28.7	30,517	29.7	801,398
1911 ...	216,280	58.7	28.7	30,512	29.7	782,501
1912 ...	214,680	57.5	28.6	28,853	28.9	731,266
1913 ...	212,205	58.1	28.2	29,139	27.1	689,927
1914 ...	212,930	58.1	28.2	29,150	26.9	671,820
1915.						
5 mos. to						
May* 1915, 72.	126	2.9	16,451	28.9	—	—

\* According to preliminary returns.

For many years the Company has paid 150 per cent. annual dividends, and 1914 proved no exception to the rule, though in respect of the final quarterly distribution for the year of 37½ per cent., paid on March 19, 1915, income tax was deducted. Previously the dividends had been distributed free of tax. In the future this alteration in the method of paying dividends will make a great difference to shareholders, for whereas in the past they received 150 per cent. net annual dividends, they will now receive, assuming maintenance of the recent rate of profit earned, 131¼ per cent. net dividend, allowing for deduction of income tax at the rate of 2s. 6d. in the £. In fairness to the Company it should be pointed out that in the past it has paid income tax for its shareholders amounting to £226,000, equal to 130 per cent. on its capital, and, in addition to having to shoulder the increasing burden of English income tax, the Company has now been assessed by the Western Australian Government with a 5 per cent. tax on the whole of its profits instead of on dividends paid, as heretofore has been the case.

As regards the underground position of the mine, it will be noted that the ore reserves at the end of 1914 represented about three years' supply for the mill, but judging by past experience it is more than probable that further exploration will add considerably to the supply of ore to be obtained from the mine. Development work in recent years has proved no extension of ore in depth below the 2,500-foot level, but there are distinct possibilities that parts of the large property hitherto unexplored may contain workable quantities of gold-bearing ore. Last year, drilling in the north-east portion of the Company's lease gave encouraging indications to start with, the first drill put out at 1,300 feet depth cutting two ore bodies of good width, assaying respectively 10 dwt. and 11 dwt. per ton. Further drilling, however, has not so far given promising results.

The capital of the Company is £175,000, in 2s. shares. These shares are now quoted at 14s. 6d., so that on the basis of 150 per cent. annual dividends being continued the yield afforded would be 20 per cent. This high return is of course due to the absence of good developments in depth and to the fact that the ore reserves estimated to be in sight represent only three years' supply for the mill. On the other hand, the balance sheet at December 31, 1914, showed surplus liquid assets amounting to £68,000, by the aid of

which it will be possible to finance any new property or undertaking that may be acquired.

## INDIAN MINES.—II.

### MYSORE.

THE Mysore in its long history of 31 years has paid dividends aggregating nearly £8,000,000, but for some time it has been apparent that shareholders are about to experience a period of diminished prosperity, owing to the falling off in the value of the ore opened up in the lowest levels of the mine. With the exception of a small extent of area to the north of the Company's ground, where good ore has been located, with a distinct pitch, however, towards the adjoining property, development results in depth during the last two years have been very disappointing, and the monthly development returns monotonously report low values at nearly all points. But it has to be borne in mind that the Indian mines often in the past have had similar experiences of zones of unpayable ore, followed at increased depths by good discoveries, and it may well be that there is still plenty of life and prosperity in the old Mysore mine. The ore reserve position at the end of 1914 was strong, despite the depletion of the tonnage in sight to supply the mill, and the financial condition of the undertaking was very sound. The result of the current year's operations to date, and also the reduction that has occurred in the dividends paid and in the price of the 10s. shares which comprise the issued capital of £305,000, will be seen from the following table:—

Year to	Ore Crushed Tons (2,000 lbs.)	Total Value of Ore Secured £	Per Ton	Working Expenses £ Per Ton	Working Profit £ Per Ton	Price end of Year
Dec. 31	(2,000 lbs.)	£	Per Ton	Per Ton	£	Per Ton
1913 ...	302,002	905,000	59.9	24.3	578,191	35.6
1914 ...	301,575	890,198	59.1†	23.10	536,253	35.3
1915.						
Mar. qr. ...	75,636	222,453*	58.10†	—	—	4½
April ...	24,036	72,090*	57.10†	—	—	4½
May ...	24,000	75,820*	61.0†	—	—	4½
June ...	23,554	71,382*	60.6†	—	—	4½
July ...	23,976	72,008*	56.4†	—	—	3½
7 mos. ...	174,512	514,356	58.5	—	—	—

\* Estimated.

† Includes yield from slimes, not extensively treated prior to October 1914.

(2) Exclusive of royalty (£54,802 in 1914).

Dividends per cent.—Account 1912, 120. Account 1913, 125. Account 1914, 115. Account 1915, June, 35.

**Kirkland Lake Proprietary.**—Not having received the report—the usual course adopted by companies to the Press is to do so—we made a request at the office of the Company for a copy, but received the reply that none were left. We should be indebted if any shareholder who has a report to spare will oblige us with a copy.

**Alaska Group Dividends.**—The 3 per cent. dividend of the Alaska Treadwell Company just announced is a reduction of 1 per cent. compared with the May declaration and also that of a year ago, and, moreover, a year ago a bonus of 3 per cent. was announced, while this year there has been no bonus. The declaration of 8 per cent. dividend by the Alaska United Company is the same as in May, but an increase of 4 per cent. is shown in both May and August compared with last year. The total dividends so far declared this year amount to 22 per cent., compared with 14 per cent. for the same period last year. As was not unexpected, the Alaska Mexican Company passed its August dividend—4 per cent. was paid a year ago, and the dividends for 1915 amount to 8 per cent., against 12 per cent. for 1914. A comparison of dividends is given below:—

	Alaska Treadwell— 1915	1914	Alaska United— 1915	1914	Alaska Mexican— 1915	1914
Feb. ...	4	4	6	6	4	4
May ...	4	4	8	4	4	4
June (bonus) ...		3				
Aug. ...	3	4	8	4	Nil	4
Sept. (bonus) ...		3				
Nov. ...		4		4		

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 18, 1915.

## Issue Department.

Notes Issued.....	£84,626,985	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	66,176,985
	£84,626,985		£84,626,985

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities .....	£45,615,369
Reserve .....	3,532,109	Other Securities .....	146,183,559
Public Deposits.....	102,684,486	Notes .....	52,669,150
Other Deposits .....	124,635,900	Gold and Silver Coin .....	948,717
Seven-day and other Bills .....	31,300		
	£245,416,795		£245,416,795

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Depts.	Deposits Public Other	Securities Govt. Other	Reserve	Ratio Reserve to Liabilities	Bank Rate	Three Months' Bills
1914.	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	54.4	11.0	47.3	28.9	40.3
1915.								
July 14	34.5	53.1	52.9	158.0	51.7	140.0	37.1	17.58
— 21	33.8	59.4	109.2	134.6	53.1	164.6	44.1	18.08
— 28	33.5	60.9	177.6	95.5	53.1	192.2	45.8	16.77
Aug. 4	33.5	62.2	147.1	84.2	46.9	155.3	47.2	20.40
— 11	32.5	65.7	142.8	85.1	45.9	148.1	51.7	22.71
— 18	31.9	67.1	102.7	124.6	45.6	146.2	53.6	23.58

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 8, 6%; Aug. 8, 6%.

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.					
Total to July 21 ...	129,549,029	83,162,765	46,386,264	28,500,000	61.4
Week to ...	28 ... 2,436,002	3,435,346	45,346,920	28,500,000	62.8
Aug. 4 ...	2,676,331	1,333,611	46,729,640	28,500,000	61.0
— 11 ...	3,902,995	2,149,131	48,783,504	28,500,000	58.4
— 18 ...	4,273,594	1,675,952	51,036,446	28,500,000	55.8

## II.—Balance Sheet, August 18, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound ...	38,254,540	Other Bankers	1,204,000
Ten Shilling ...	12,831,906	Trustee Savings Banks	469,000
Certificates outstanding		Currency Note Redemption A/c—	
Investments Reserve A/c	308,163	Gold Coin and Bullion	28,500,000
		Government Securities	9,585,827
		Balance at Bank of England...	11,635,782
Total ...	51,394,609	Total ...	51,394,609

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Arrivals.	Withdrawals.
1915.		
Aug. 12, Thursday ...	5,000 bars.	Nil.
— 13, Friday ...	Nil.	Nil.
— 14, Saturday ...	350,000 Foreign coin.	394,000 bars.
— 16, Monday ...	250,000 Foreign coin.	1,800,000 Foreign coin.
— 17, Tuesday ...	220,000 Foreign coin.	1,300,000 Foreign coin.
— 18, Wednesday ...	566,000 bars.	1,650,000 Foreign coin.
	190,000 Foreign coin.	15,000 sovs. Straits.*
Total for week ...	1,571,000	5,159,000
Net aggregate ...	[3,583,000 efflux for week.]	

Aug. 19, Thursday ... 136,000 bars. } 200,000 Foreign coin.  
 " 20, Friday ... Nil. } 155,000 bars.  
 " } 81,000 Foreign coin.

\* Set aside on a/c Note Guarantee Fund Gold Portion.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£29.5	£29.2	£29.3	£37.2	£31.9
Public Deposits.....	11.7	17.5	10.3	13.7	102.7
Other Deposits.....	44.0	42.9	43.2	108.1	124.6
Government Securities.....	18.7	13.4	12.4	26.0	45.6
Other Securities.....	29.5	35.1	27.8	94.7	146.2
Reserve .....	25.5	30.1	31.4	19.2	53.6
Ratio to Liabilities .....	45.1%	49.86%	58.62%	15.80%	23.58%
Bullion (both Departments) ...	36.6	40.9	42.3	37.9	67.1
Money:—					
Bank of England Rate.....	2½%	3%	4½%	5%	5%
Bank of France Rate .....	3%	3%	4%	5%	5%
Rate 3 months' Bills London ...	1½%	3½%	3½-18%	5½%	4½%
Exchanges					
Paris Cheque.....	25 17½	25 27	25 25	nom.	27 7½
Hamburg 8 days .....	20 46½	20 46½	20 44	nom.	
New York 60 days .....	4 84½	4 84-35	4 83-15	nom.	4 63
Bombay Telegraphic Transfers	1 4½	1 4	1 4	1 3½	1 3½
Prices:					
Consols 2½ % Cash .....	90½	75½	75½	69½	65
French Rente 3 % Money .....	95 17	92 62	88 40	75	68.50
Silver, London spot.....oz.	-128½	-128½	-127½	-126	-122½
Wheat, Gazette average .....	30½	38-2	34-3	40-3	55-2
Cotton, Mid Uppland .....	-15-61	-16-62	-16-67	-16-20	-15-34
Iron, Scotch pig .....	50.6	68½	62½	57½	70½

## ARGENTINA.—Gold in Caja de Conversion.

July 22, 1915.....Pesos	230,212,923
July 14, 1915.....	229,848,583
Dec. 31, 1914.....	221,703,321
Dec. 31, 1913.....	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversao.

July 3, 10 & 17, 1915 .....	£5,635,846
June 19 & 26 .....	5,972,149
Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	18,400,501
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

† Last Return before the War.

DENMARK	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circulation.	De-posits.
May 31, 1915 ...	£5,947	£320	£6,267	£5,322	£2,294	£11,588	£555
June 30, 1915 ...	6,950	318	6,266	5,672	2,187	11,944	710
July 31, 1915 ...	5,946	300	6,246	4,679	2,087	11,352	649
July 31, 1914† ...	—	—	4,352	6,197	788	8,893	47
July 31, 1913 ...	—	—	4,163	4,778	1,181	8,193	39

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circulation.	Public Deposits.	Private Deposits.
Aug. 5, 1915 ...	£168,883	£14,734	£183,617	£12,185	£509,015	£8,756	£91,123
Aug. 12, 1915 ...	172,891	14,714	187,605	10,789	513,032	3,596	94,619
Aug. 19, 1915 ...	175,694	14,717	190,411	11,119	515,974	4,452	98,503
July 30, 1914† ...	165,854	25,013	190,867	97,768	267,327	15,302	37,903
Aug. 21, 1913 ...	136,837	25,119	161,956	67,040	216,833	13,016	27,514

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks	Loans & Dis-counts.	Circulation.	Deposits.
July 31, 1914† ...	£62,660	£13,741	£76,401	£2,248	£114,164	£145,471	£82,923
Aug. 7, 1915 ...	120,135	2,280	122,415	8,891	238,818	272,875	82,280
Aug. 14, 1915 ...	120,219	2,306	122,525	12,493	237,064	269,439	87,778

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circulation.	De-posits.
Aug. 1, 1914† ...	£13,496	£249	£13,745	£13,422	£10,332	£35,660	£1,437
Aug. 7, 1915 ...	31,743	162	31,905	5,318	7,925	42,465	2,902
Aug. 14, 1915 ...	31,349	172	31,521	5,370	7,762	42,471	3,128

ITALY.	Gold.	Cash-Silver.	Total.	Cash.*	Loans & Dis-counts.	Circulation.	De-posits.
July 31, 1914† ...	—	—	—	£48,456	£25,017	£69,204	£8,887
June 30, 1915 ...	£45,884	£4,787	£50,671	£4,581	£43,024	£115,001	£32,680
June 30, 1915 ...	45,765	4,702	50,467	5,425	41,676	117,076	33,194

Including foreign gold bills, State notes, and small change.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circulation.	De-posits.
Aug. 15, 1914 ...	75,426	4,085	79,511	7,929	230,348	194,097	127,588
Aug. 15, 1913 ...	58,647	14,290	72,937	3,543	49,212	90,530	34,946

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Aug. 15, 1914 ...	Gold.</
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### III.—PUBLIC INCOME AND EXPENDITURE.

(In £ millions.)

1915.	Prior	Revenue				Expenditure			
		Revenue	Loans	Grants	Total	Revenue	Loans	Grants	Total
7 days to July 24	3,881	154,396	18,833	1	173,230	74,422	+34,233	244,707	
7 " " July 31	2,961	143,225	32,776	4,411	180,412	+65,509	245,881		
7 " " Aug. 7	1,903	62,188	26,100	74,143	100,243	105,876	-38,055	236,322	
7 " " Aug. 14	3,398	23,844	23,844	4,411	52,100	100,000	-3,825	237,919	
137 days to Aug. 14, 1915	74,661	673,201	407,289	247,313	654,602	102,051	+18,600*	+160,769*	
138 days to Aug. 15, 1914	59,639	76,743	70,939	14,444	162,126	2,310	-5,125*	-	

\* Increase or decrease since April 1.

### IV.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—		Aug. 19, '15	Aug. 12, '15	Aug. 7, '15	July 29, '15
Holland	3 mos.	11 17	12 1	12 1 1/2	12 2 1/2
Italy	3 mos.	11 6 1/2	11 7 1/4	11 7 5/8	11 8 1/4
Paris	3 mos.	30 30	30 10	29 70	30 2 1/2
Lisbon & Oporto	do.	36 1/2	35 1/2	35 1/2	36 1/2
New York	do.	4 6 1/2	4 7 1/2	4 7 1/2	4 7 1/2
Chicago	3 mos.	4 6 1/2	4 7 1/2	4 7 1/2	4 7 1/2
Petrograd	do.	27 3 1/2	27 30	27 30	27 40
Scandinavia	do.	28 25	27 60	26 90	26 50
Spain Bank places	3 mos.	13 1/2	13 1/2	14 1/2	14 1/2
Switzerland	3 mos.	18 1 1/2	18 30	18 35	18 25
— Cable	do.	46 1/2	46 1/2	46 1/2	46 1/2
— 3 mos.	do.	25 23	24 55	24 9 1/2	25 10
— 3 mos.	do.	25 80	25 80	25 97 1/2	25 97 1/2
— 3 mos.	do.	25 15	25 40	25 50	25 57 1/2

Foreign Rates of Exchange on London, &c.

		Aug. 20, '15	Aug. 13, '15	Aug. 6, '15	July 29, '15
Alexandria	Sight	97 1/2	97 1/2	97 1/2	97 1/2
Amsterdam	Sight	11d. 6 1/2	11d. 7 1/2	11d. 7 1/2	11d. 8 1/2
Bombay	Transfers	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2
Buenos Ayres	90 days	47 1/2	48 1/2	48 1/2	48 1/2
Calcutta	Transfers	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2
Christiania	Sight	18kr. 15	18kr. 30	18kr. 30	18kr. 25
Copenhagen	Sight	18kr. 15	18kr. 30	18kr. 30	18kr. 25
Hong Kong	Transfers	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2
Italy	Sight	30lr. 15c.	30lr. 10c.	29lr. 7 1/2c.	30lr. 25c.
Lisbon	Sight	36 1/2	35 1/2	35 1/2	36 1/2
Madrid	Sight	25p. 00	24p. 85	24p. 8 1/2	25p. 10
Montevideo	90 days	52 1/2	52 1/2	52 1/2	52 1/2
Montreal	Cables	84 6 1/2	84 7 1/2	84 7 1/2	84 8 1/2
New York	Sight	84 6 1/2	84 7 1/2	84 7 1/2	84 8 1/2
— 60 days	do.	84 6 1/2	84 7 1/2	84 7 1/2	84 8 1/2
— on Paris	Sight	8 1/2	8 1/2	8 1/2	8 1/2
— on Berlin	Sight	8 1/2	8 1/2	8 1/2	8 1/2
— on Vienna	Sight	15 10c.	15 12c.	15 20c.	15 10c.
— on Amsterdam	Sight	33 1/2	34 1/2	34 1/2	34 1/2
— on Mexico	Sight	37c. U.S.	37c. U.S.	36c. U.S.	36c. U.S.
Paris	Cables	27 1/2	26 1/2	26 1/2	27 1/2
Petrograd	Sight	134	138	147 1/2	145 1/2
Rio de Janeiro	90 days	124 1/2	124 1/2	124 1/2	131
Shanghai	Transfers	2s. 3 1/2	2s. 3 1/2	2s. 2 1/2	2s. 2 1/2
Stockholm	Sight	18kr. 15	18kr. 30	18kr. 30	18kr. 25
Switzerland	Sight	25f. 12 1/2c.	25f. 40c.	25f. 40c.	25f. 55c.
Valparaiso	90 days	8 1/2	8 1/2	8 1/2	8 1/2
Bar Gold, standard, per oz.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Silver (.925), per oz.	22 1/2	23 1/2	22 1/2	22 1/2	22 1/2

\* Previous day's rates. † Foreign exchange current in New York, according to cable advices from Irving National Bank of that city.

### V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.		Week.	Amount.	Inc. or Dec.*	1915 Aug.	Inc. or Dec.*
BIRMINGHAM	Aug. 14	1,611,518 +	332,427	54,180,243	+ 2,693,163	+ 5 1/2
BRISTOL	" 14	705,000 +	118,000	25,148,000	+ 995,000	+ 4 1/2
DUBLIN	" 14	3,693,406 +	1,235,990	121,169,500	+ 10,856,300	+ 9 1/2
LEEDS	" 14	553,185 +	153,000	20,900,214	+ 4,017,720	+ 23 1/2
LIVERPOOL	" 14	4,144,418 +	1,336,774	12,989,800	+ 2,826,912	+ 28 1/2
MANCHESTER	" 14	7,486,182 +	2,995,220	173,308,079	+ 20,705,979	+ 13 1/2
NEWCASTLE	" 14	6,415,225 +	2,032,695	217,596,020	+ 9,464,362	+ 41 1/2
NOTTINGHAM	" 14	1,490,000 +	112,400	47,000,305	+ 8,179,600	+ 21 1/2
SHEFFIELD	" 14	433,324 +	142,785	11,547,264	+ 931,345	+ 7 1/2
LONDON	1915.	493,034 +	86,299	19,364,625	+ 2,202,705	+ 12 1/2
TOWN	Aug. 18	235,592 +	94,727	6,797,535	+ 2,401,591	+ 26 1/2
METROPOLITAN	" 18	17,593 +	2,859	6,020,200	+ 33,153	+ 5 1/2
COUNTRY	" 18	39,200 +	6,042	996,310	+ 95,319	+ 10 1/2
TOTAL	" 18	283,050 +	103,629	8,396,045	+ 2,273,089	+ 21 1/2

The following special items are included in the London clearings:—

STOCK EXCHANGE		CONSOLS		"FOURTH" OF THE	
Settling Days.		Settling Days.		Month.	
1915	£	1915	£	1915	£
July 14	54,805	44,030	36,764	37,559	41,718
July 29	38,882	63,446	59,936	37,562	45,682
Aug. 12	43,164	—	52,168	—	55,063
1915 Agg.	613,408	—	379,928	—	372,230

\* Compared with a year ago.

### VI.—FREIGHTS.—According to Messrs. Farrar, Groves & Co., representative steam freight quotations compare as follows:

HOMEWARDS.		1915.	1914.	1913.	Homewards—cont.		1915.	1914.	1913.
Alex. to Lond. or Hull	—	—	11 6	—	U.S. Atl. Ports to U.K.	—	—	—	—
Aust. to U.K. or Cont.	—	35/0	31 0	—	Cont. (grain) to U.K.	—	9/6	—	2/10 1/2
Azoff to L.H.A.R.	—	—	13 9	—	N. to L.H. (cotton)	155 0	3 0	—	—
Bombay to p.p. d.w.	51/30	22 6d.	23 6d.	—	N.O. to U.K. Cont. (gr.)	10 6	3 6	—	—
Burma o.c.	75 0	—	27 6	—					
Calcutta to p.p. d.w.	70/0	—	28 0	—					
Danube to A.R.	—	—	12 0	—					
Odessa to L.H.A.R.	—	—	13 3	—					
River Plt. to U.K. Cont.	—	17 6	20 6	1915.. 25 0	—	25 0	21 0	—	—
U.S. Atlantic Ports to L.H. (cotton)	—	—	47 6	1913.. 12 6	13 7 1/2	8 6	19 0	9 3	—

### VII.—PRICES OF WHOLESALE COMMODITIES.

According to Price and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in the previous two years.

AUG. 21.		1915.	1914.	1913.
<b>METALS, MINERALS, &amp;c.</b>				
Iron—Scottish, per ton	70 7 1/2	59 0	62 8	—
— Mild steel, per ton	84 6	62 9	64 9 1/2	54 9 1/2
— Bessemer, per ton	95 0	64 0	70 8	—
— Standard, per ton	£12	29	29 10	—
— Common, per ton	£11 12 6	28	27 12 6	—
Steel Ralls—per ton	142 850	87 783	191 544	—
Copper—Standard, per ton	265 2 6	259	288 15	—
— Stock, Europe & Am., per ton	42 218	34 112	36 827	—
Tin—English ingots, per ton	£150	£143 10	£193 10	—
— Straits, per ton	£148 7 6	149 10	151 38	188
Snippets—Coke, per ton	18 0	18 3	13 0	13 0
Lead—Soft, per ton	£21 5	£21 7 6	22 3	220 7 8
Spelter—Ordinary, per ton	260	230	220 12 8	—
Quicksilver—(75lb.) bottle	218	27	27 5	—
Aluminium—per ton	£180	£190	280	287
Antimony—Regular, per ton	—	235	228 10	231 10
Coal—Steam (best) Cardiff, per ton	nom.	nom.	20 9	21 3
— (best) Newcastle, per ton	20 6	22 0	14 3	—
<b>CHEMICALS, OILS, &amp;c.</b>				
Nitrate of Soda—per ton	13 6	11 3	11 0	—
Soda—Crystallized, per ton	22 5	22 6	22 5	—
Cochineal—Teneriffe Silver, lb.	1 9	1 10	2 0	2 0 1/2
Copra—Malay & Straits, per ton	£23	£23 5	£24 2 1/2	£31
Gambier—Good marks, per ton	31 8	18 10 1/2	18 0	—
Indigo—Bengal good to fine, lb.	14 6	15 0	4 8	3 0
Linseed Oil—Spot, barrels, ton	225	226	225 11 3	—
Linseed—Calcutta, spot, 410lb.	54 6	62 0	49 8	—
Olive Oil—Spanish, per ton	£53	£54	£49	£48
Palm Oil—Lagos, per ton	£31	£31 10	£37 10	—
Petroleum—American, gallon	—	—	—	—
Rape Oil—Refined English, ton	£38 10	£38	£32	£33
Soya Oil	222	225	228 5	—
Tallow—Aust. mixed, cwt.	34 7 1/2	28 6	32 6	33 8
Turpentine—Amer. Spirit, cwt.	34 0	34 0	30 1 1/2	—
Rape Seed—Toria, 416lb.	52 6	51 6	51 0	—
Rubber—Para, spot, lb.	2 1/4	2 10 1/2	3 10 1/2	—
— Fine plantation, per lb.	2 1/4	2 1/4	2 8 1/2	—
World's Vis. sup. (all kinds) Mayton	19 085	21 500	17 619	—
Shellac—T. N. Orange, fair, cwt.	62 0	63 0	60 0	61 0
<b>TEXTILES.</b>				
Cotton—Middling Upland, lb.	-5 34	-8 20	-8 67	—
— Egyptian good fair, lb.	-7 35	-7 90	-9 25	—
— Pernambuco, fair, lb.	-8 30 1/2	-6 73	-9 25	—
— Mid. Upl. New York, lb.	9 40	10 1	12 25 1/2	—
Stock, Liverpool, Aug. 5, bales	1,348,300	908,400	855,070	—
Flax—Petrograd, Yarpol, ton	280	nom.	232	—
Hemp—N. Zealand, ton	£32 10	nom.	£30 10	—
— Manila, fair strip, ton	238	nom.	£31	—
Jute—First Marks, spot, ton	£23 10	nom.	£31 15	—
— Red S/O, ton	£21 10	nom.	£31 10	—
Silk—Blue Elephant, lb.	9 0	11 6	11 9	10 9
Wool—Pt. Philip unwashed av. lb.	1 0	1 1	1 1	1 1
— Lincoln Fair Hogs, lb.	1 6	1 11 1/2	1 10 1/2	1 0 1/2
Hides—English Ox, 90lb. & over lb.	10 1/2	10 1/2	10 1/2	10 1/2
Leather—Dressing Hides, lb.	2 1/2	2 7	1 5	1 10
<b>VEG. FOOD, CORN, &amp;c.</b>				
Wheat—Viscup, U.S. Aug. 16 bus.	7,574,000	34,223,000	45,396,000	—
— Red, price, N.Y. 60lb. bushel	116 1/2	101 1/2	95 1/2	—
— English, 480lb. qr.	55 2	40 3	34 3	—
Flour—Lond. Whites ex mill, 280lb.	48 0	35 6	31 0	—
Barley—Eng. Gair, 40lb. lb. qr.	37 0	29 4	24 7	—
Oats—Eng. Gair, 32lb. lb. qr.	31 7	25 1	18 7	—
Malze—N.Y. (new), 56lb. bush.	nom.	91 1/2	84 1/2	—
— Amer. mixed, Liverpool, 100lb.	9 0	8 0	4 11 1/2	—
— La Plata, 480lb. qr.	32 6	32 0	23 7 1/2	—
Potatoes—Kents, ton	75 0	80 0	70 0	75 0
Rice—Imports since Jan. 1, tons	29,083	10,885	8,347	—
Deliveries do., tons	18,900	8,059	10,749	—
Stock, tons	17,157	7,521	4,983	—
Price, Bassee, cwt.	17 0	6 10 1/2	7 9	8 3
Taploca—Pearl, medium, cwt.	17 6	16 6	17 0	20 0
Hay—Best, 2,016lb. load	105 0	115 0	87 0	97 0
Hops—English, cwt.	26	26 10	26 5	27
<b>ANIMAL FOOD.</b>				
Beef—Argen. chilled hndrs. 8lb	6 8	3 10	4 4	3 3
— Scotch sides, 8lb	6 10	4 10	5 2	4 6
— English, 8lb	8 6	4 2	4 8	3 8
Mutton—Scotch, 8lb	6 8	5 8	6 2	4 8
— English wethers, 8 lb	8 3	5 0	5 6	3 10
— New Zealand frozen, 8lb	4 6 1/2	4 2	4 8	2 8
Pork—English, 8lb.	5 10	3 8	4 2	4 6
Bacon—Irish, cwt.	100 0	76 0	90 0	75 0
— Danish, cwt.	94 0	70 0	87 0	70 0
Hams—Amer. long cut, cwt.	65 0	80 0	84 0	74 0
— short cut, cwt.	64 0	80 0	84 0	74 0
Lard—Amer. pails, cwt.	44 3	58 0	61 0	58 5
Butter—Danish, cwt.	169 0	124 0	130 0	120 0
— S. Brian, cwt.	116 0	116 0	126 0	83 0
— French, cwt.	120 0	112 0	126 0	90 0
— New Zealand, cwt.	—	108 0	120 0	94 0
Cheese—Canadian, cwt.	70 0	70 0	72 0	64 0
— New Zealand (wilder), cwt.	70 0	70 0	74 0	—
<b>SUGAR, COFFEE, TEA, &amp;c.</b>				
Sugar—Imports since Jan. 1, tons	86,518	186,124	196,672	—
Deliveries do., tons	103,703	150,573	176,727	—
Stock, tons	29,054	44,659	36,265	—
Price, Java, 96° Pol. cwt.	20 0	20 0	10 9	—
— Mauritius, crystals, cwt.	24 6	28 0	15 0	15 3
— Table's Cubes, No. 1, cwt.	31 0	35 0	18 4 1/2	—
Coffee—Imports since Jan. 1, tons	46,838	38,390	29,644	—
Home consumption do., tons	13,012	9,825	9,908	—
Exports do., tons	17,813	18,320	12,193	—
Stock, tons	29,224	21,513	16,313	—
Price Costa Rica gd. to fine cwt.	77 0	80 0	85 0	80 0
— Brazil (Santos) spot, cwt.	34 6	—	41 9	—
Tea—Imports, (for 7 months) lb.	200,433,732	157,624,299	144,085,254	—
Home consumption do., lb.	189,745,112	183,734,899	175,810,063	—
Exports, lb.	33,600,871	30,472,796	31,788,732	—
Stock, July 31, lb.	88,120,000	78,959,000	72,685,000	—
Price, Indian, Pek Song, good lb.	-11 1/2	-8 1/2	-8 1/2	—
— Ceylon, Pek, Song, Ord., lb.	-11	-8 1/2	-8 1/2	—
— Common Congon, lb.	-9 1/2	-8	-8 1/2	—
Cocoa—Grenada, good to fine cwt.	76 0	54 6	67 0	70 0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Bel. & C. Down	Aug. 13	80	—	£3,948	+	20	121,093	+ 10,574
Cork, Ban. & S.O. Aug.	13	103	—	2,142	—	10	65,933	+ 3,151
Dublin & S.E. Aug.	13	160	—	6,056	+	124	74,857	+ 3,155
Gt. Northern	Aug. 13	561	—	24,860	+	3,540	173,810	+ 19,980
Gt. S. & Western	Aug. 13	1,130	—	36,069	—	610	1,037,317	+ 88,597
Mid. Gt. West.	Aug. 13	638	—	12,831	+	130	403,248	+ 11,796

\* \* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Assam Bengal	July 10	862	+11	1,36,000	+ 12,049	15	19,31,079	+ 56,645
Bardoli Light	July 17	116	—	17,000	+ 1,000	16	3,45,100	+ 1,31,900
Bombay & N.W. July	10	2,041	+13	3,54,320	+ 579	15	57,40,478	+ 8,12,724
Bombay Doars	July 17	163	—	27,652	—	48	3,97,814	+ 38,640
Bomb. Nagpur	July 17	2,685	+ 7	7,95,000	+ 1,62,000	20	1,24,12,000	+ 1,86,000
Bomb. Baroda	Aug. 14	2,859	+32	8,13,000	+ 1,25,000	20	2,28,11,000	+ 8,40,000
Burma	July 10	1,342	—	3,41,670	+ 44,799	15	68,21,718	+ 10,27,516
East Indian	Aug. 14	2,718	—	17,74,000	+ 1,03,000	20	4,11,61,000	+ 4,89,000
Gt. Indian Pen. Aug.	7	2,981	+15	11,66,100	+ 1,09,000	19	2,91,97,769	+ 9,46,671
Madras & S.M. July	17	3,132	—	8,35,000	+ 29,275	16	1,46,84,520	+ 2,05,889
Nizam's Guar. July	3	797	—	1,55,643	+ 19,736	14	26,72,529	+ 6,20,285
Roh & Kumaon	July 10	560	+18	71,980	+ 6,742	15	11,51,934	+ 48,273
South Indian	July 17	1,763	+10	5,32,478	+ 27,295	16	88,19,123	+ 4,70,786
South Punjab	M. of Mar.	823	—	6,69,429	+ 1,15,571	6	37,46,396	+ 6,23,212

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Can. Northern	Aug. 14	4,985	+295	\$249,000	+ 70,500	6	1,715,000	+ 553,200
Can. Pacific	Aug. 14	12,921	+694	1,815,000	+ 347,000	6	11,049,000	+ 3,811,000
Gd. Trk. Pac.	Aug. 14	916	—	\$11,833	+ 2,676	6	68,100	+ 34,260
Grand Trunk	Aug. 14	4,008	—	162,670	+ 15,195	32	4,867,185	+ 475,405
Det. Trunk W. Aug.	14	338	—	30,308	+ 493	32	906,123	+ 10,129
Det. Gt. Ha. Aug.	14	189	—	13,408	+ 2,476	32	323,445	+ 14,781
Mashonaland	M. of June	751	—	45,729	+ 14,891	9	360,219	+ 217,626
Mid. W. Aust. M. of May	27	277	—	5,795	+ 4,952	11	93,781	+ 43,983
New Cape Cent.	July 24	205	—	1,759	+ 235	30	54,728	+ 1,217
Rhodesia Rlys.	M. of June	1,397	—	69,940	+ 14,563	9	553,075	+ 215,525

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Alcoy & Gandia	Aug. 14	33	—	£ 8,000	+ 5,000	33	415,200	+ 30,750
Antofagasta	Aug. 15	819	—	£ 26,890	+ 4,680	33	742,595	+ 413,619
Arauco	M. of June	644	—	£ 6,250	+ 712	61	37,875	+ 10,874
Arg. N. East.	Aug. 14	752	+ 85	£ 7,106	+ 2,238	7	39,924	+ 6,054
Arg. Transand.	July 24	111	—	£ 150	+ 120	4	630	+ 720
Bolivar	M. of July	110	—	£ 7,000	+ 505	11	—	—
Brazil	M. of May	3,362	—	£ 3,282,000	+ 17,244	51	15,963,000	+ 804,584
Paulista	M. of May	721	—	£ 1,500,000	+ 238,338	51	8,850,000	+ 101,324
Mogiana	M. of May	1,131	+ 57	£ 1,263,000	+ 256,423	51	7,833,000	+ 261,381
R.A. & Pacific	Aug. 14	3,635	+ 29	£ 85,000	+ 30,000	7	531,000	+ 59,000
B.A. Gt. So.	Aug. 15	3,792	+ 63	£ 85,000	+ 27,000	7	515,908	+ 5,967
B.A. Western	Aug. 15	1,867	+ 75	£ 45,000	+ 18,000	7	283,000	+ 29,000
Cent. Argentine	Aug. 14	3,307	+ 45	£ 106,200	+ 26,200	7	743,200	+ 72,200
Cent. Uruguay	Aug. 14	2,307	—	£ 10,225	+ 1,679	7	87,225	+ 6,843
" (E. Ext.)	Aug. 14	211	—	£ 3,337	+ 797	7	21,729	+ 3,995
" (N. Ext.)	Aug. 14	185	—	£ 1,957	+ 290	7	11,847	+ 1,106
" (W. Ext.)	Aug. 14	211	—	£ 1,236	+ 139	7	8,663	+ 758
Colomb. Nat.	M. of May	86	—	£ 9,512	+ 2,928	51	47,412	+ 1,155
Col. Rys. & Nav.	M. of May	854	—	£ 19,809	+ 6,677	11	224,066	+ 52,213
Cord. Central	Aug. 14	1,186	—	£ 36,150	+ 705	7	241,600	+ 6,430
Cuban Central	Aug. 14	354	+ 9	£ 7,008	+ 654	7	47,725	+ 3,887
Dorada Ext.	M. of July	71	—	£ 8,500	+ 2,500	7	53,000	+ 6,600
Egyptian Delta	July 20	619	—	£ 4,142	+ 1,961	15	43,372	+ 21,499
Ente Rios	Aug. 14	730	—	£ 8,700	+ 1,500	7	58,500	+ 1,800
Gt. S. of Spain	July 24	104	—	£ 80,859	+ 14,858	30	1,703,548	+ 395,089
Gt. W. Brazil.	Aug. 14	1,010	—	£ 6,700	+ 600	33	321,700	+ 104,300
La Guaira & Co.	M. of July	23	—	£ 8,750	+ 2,250	7	49,000	+ 19,600
Leopoldina	Aug. 14	1,806	+ 54	£ 27,652	+ 9,802	33	922,019	+ 102,503
Manila North	Aug. 14	316	+ 10	£ 3,397	+ 1,550	33	183,051	+ 37,112
" South	Aug. 14	216	+ 91	£ 3,576	+ 834	33	124,969	+ 10,667
Mid. Uruguay	M. of June	319	—	£ 16,332	+ 580	12	113,751	+ 14,636
Nitrate (Gwks.)	Aug. 15	366	—	£ 16,485	+ 1,942	33	185,664	+ 249,959
N.W. Uruguay	M. of July	113	—	£ 21,500	+ 683	11	—	—
Paraguay Cent.	Aug. 14	265	—	£ 445,000	+ 222,000	7	2,524,000	+ 858,000
Peruvian Corp.	M. of July	1,059	—	£ 724,838	+ 262,661	11	32,158	+ 1,342
Puerto Cabello	M. of June	24	—	£ 3,300	+ 2,166	6	164,500	+ 18,334
San Paulo	Aug. 14	100	—	£ 18,600	+ 15,536	6	222,043	+ 10,496
Taitai	Aug. 8	153	—	£ 8,160	+ 16,388	11	—	—
U. of Havana	M. of July	184	—	£ 22,992	+ 3,861	7	154,499	+ 24,218
Urg. Northern	M. of June	73	—	£ 1,936	+ 132	12	18,163	+ 7,862
W. of Havana	Aug. 14	147	—	£ 4,936	+ 488	7	33,567	+ 5,384
Zafra & Hiva	M. of June	112	—	£ 7,061	+ 6,058	6	43,248	+ 42,578

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine	Aug. 12	369	+21	£ 50,848	+ 1,737	32	1,633,875	+ 141,940
Auckland (Gwks.)	July 30	25	—	£ 20,408	+ 374	4	—	—
Brazilian Traction	M. of June	—	—	£ 5,591,940	+ 403,040	6	37,684,110	+ 1,239,922
Brisbane Electric	M. of July	30	—	£ 31,160	+ 1,470	7	209,650	+ 161,921
Bristol	Aug. 14	31	—	£ 10,406	+ 1,514	32	305,328	+ 24,508
British Columbia	M. of June	242	+ 51	£ 498,093	+ 162,290	12	7,309,563	+ 1,482,724
Calcutta	Aug. 14	351	—	£ 68,745	+ 607	33	21,23,303	+ 58,548
Cape Electric	M. of July	42	—	£ 17,322	+ 2,649	11	12,805	+ 3,407
Carth. & Harr.	M. of July	9	—	£ 2,157	+ 259	7	35,055	+ 107
Cork Electric	Aug. 12	84	—	£ 1,017	+ 39	32	185,566	+ 5,738
Dublin United	Aug. 13	54	—	£ 6,215	+ 8	32	1,575,577	+ 87,290
Havana Electric	Aug. 1	1	—	£ 61,036	+ 2,148	31	17,456	+ 9,553
Ile de Thanet	Aug. 14	26	—	£ 1,042	+ 69	47	13,472	+ 642
Kaloorie	M. of May	204	—	£ 3,269	+ 244	5	61,072	+ 74
Lankashire	Aug. 12	28	—	£ 2,103	+ 283	32	812,287	+ 30,782
London C.C.	Aug. 11	141	—	£ 45,178	+ 1,864	19	438,280	+ 171
Madras Electric	Aug. 15	—	—	£ 30,869	+ 2,529	33	847,753	+ 119,837
Manila Electric	M. of July	—	—	£ 123,760	+ 10,160	7	96,640	+ 8,806
Provincial	Aug. 14	21	—	£ 2,855	+ 568	45	34,374	+ 2,935
Rangoon Electric	M. of July	25	—	£ 4,629	+ 346	7	251,853	+ 31,810
U. of Montevideo	M. of July	90	—	£ 25,181	+ 1,256	9	52,164	+ 3,679
Yorks. W. Rdng.	Aug. 15	24	—	£ 1,608	+ 28	33	—	—

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,747 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (M) Miles. (C) Compared with previous year. (T) Months. (U) Track miles. (V) Includes Detroit, Grand Haven and Milwaukee Railway. (W) No. of cars. (X) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
483 Cos. (000's omitted)	May to May	\$244,693	+ \$1,325	\$71,958	+ \$14,819
	11 mos.	(2,688,666	+ 159,995	432,714	+ 10,448
Alabama Gt. Southern	June to June	392,000	—	39,000	+ 48,000
	12 mos.	4,776,000	—	649,000	+ 34,000
Ala. New Or. Tex. & Pac.	June to June	125,000	—	22,000	+ 10,000
Ala. & Vicksburg	12 mos.	1,523,000	—	375,000	+ 133,000
New Orleans & N.E.	June to June	297,000	—	35,000	+ 24,000
	12 mos.	3,564,000	—	668,000	+ 574,000
Vicks. Shreve. & Pac.	June to June	120,000	+	4,000	+ 8,000
	12 mos.	1,417,000	—	424,000	+ 72,000
Atchison, Top. & S.F.	June to June	9,952,000	+	680,000	+ 2,950,000
	12 mos.	117,665,000	+	6,555,000	+ 36,051,000
Atlantic Coast Line	June to June	2,327,000	—	624,000	+ 412,000
	12 mos.	31,536,000	—	6,295,000	+ 2,016,000
Baltimore & Ohio	June to June	8,663,000	+	702,000	+ 3,203,000
	12 mos.	91,815,000	+	7,349,000	+ 27,591,000
Canadian Northern	June to June	1,201,300	—	454,000	+ 335,300
	12 mos.	17,225,600	—	8,475,000	+ 4,828,700
Canadian Pacific	June to June	7,512,000	—	2,542,000	+ 2,678,000
	12 mos.	98,865,000	—	30,950,000	+ 33,575,000
Chesapeake & Ohio	June to June	3,636,000	+	409,000	+ 1,080,000
	12 mos.	39,463,000	+	2,004,000	+ 11,793,000
Chicago & N. Western	June to June	6,810,000	—	552,000	+ 1,859,000
	12 mos.	83,142,000	—	4,155,000	+ 22,252,000
Chic. Burl. & Quincy	May to May	6,957,000	+	306,000	+ 1,640,000
	11 mos.	53,864,000	—	2,238,000	+ 23,499,000
Chicago Great Western	May to May	1,088,000	—	10,000	+ 208,000
	11 mos.	12,739,000	—	445,000	+ 3,092,000
Chic. Mil. & St. Paul	June to June	7,811,000	+	44,000	+ 2,823,000
	12 mos.	91,435,000	+	2,178,000	+ 24,717,000
Chic. Rock I. & Pacific	May to May	6,337,000	+	362,000	+ 804,000
	11 mos.	65,288,000	+	2,816,000	+ 12,985,000
Chic. St. P. Min. & Omaha	June to June	1,465,000	—	68,000	+ 412,000
	12 mos.	18,197,000	—	373,000	+ 5,674,000
Clev. Cin. Chic. & St. L.	June to June	2,985,000	+	30,000	+ 449,000
	8 mos.	17,043,000	+	459,000	+ 2,810,000
Colorado & Southern	June to June	1,008,000	—	22,000	+ 150,000
	12 mos.	13,090,000	—	868,000	+ 346,000
Cuba Railroad	June to June	457,000	+	25,000	+ 288,000
	12 mos.	5,207,000	+	42,000	+ 2,727,000
Delaware & Hudson	June to June	1,914,000	—	56,000	+ 887,000
	8 mos.	10,782,000	—	33,000	+ 3,531,000
Denver & Rio Grande	June to June	1,866,000	—	41,000	+ 647,000
	12 mos.	21,823,000	—	1,852,000	+ 6,511,000
Erie Railroad	June to June	5,438,000	—	125,000	+ 1,545,000
	6 mos.	29,615,000	—	1,171,000	+ 6,332,000
Grand Trunk Railway	June to June	2,775,700	—	333,400	+ 281,400
	6 mos.	4,047,150	—	373,200	+ 1,011,650
Grand Trunk Western	June to June	129,000	+	4,600	+ 28,700
	6 mos.	714,300	+	5,350	+ 19,700
Great Northern	June to June	5,194,000	—	878,000	+ 1,686,000
	12 mos.	67,134,000	—	9,689,000	+ 29,373,000
Hocking Valley	June to June	613,000	—	36,000	+ 181,000
	12 mos.	6,181,000	—	840,000	+ 1,997,000
Illinois Central	June to June	4,881,000	—	400,000	+ 481,000
	12 mos.	62,111,000	—	4,261,000	+ 10,879,000
Kansas City Southern	June to June	792,000	—	187,000	+ 139,000
	12 mos.	10,035,000	—	935,000	+ 2,983,000
Lehigh Valley	June to June	3,635,000	—	190,000	+ 3,680,000
	12 mos.	42,625,000	+	355,000	+ 12,579,000
Louisville & Nashville	June to June	4,176,000	—	282,000	+ 811,000
	12 mos.	51,607,000	—	8,301,000	+ 10,029,000
Michigan Central	June to June	3,118,000	—	221,000	+ 1,016,000
	8 mos.	16,558,000	—	296,000	+ 3,323,000
Min. St. P. (Soo) System	June to June	2,056,000	—	187,000	+ 650,000
	12 mos.	27,763,000	—	1,543,000	+ 3,149,000
Miss. Kansas & Texas	June to June	2,379,000	—	44,000	+ 358,000
	12 mos.	32,899,000	—	1,018,000	+ 9,820,000
Missouri Pacific	May to May	4,534,000	—	107,000	+ 778,000
	11 mos.	53,654,000	—	1,628,000	+ 11,962,000
New York Central	June to June	13,907,000	—	675,000	+ 4,854,000
	6 mos.	75,553,000	—	2,400,000	+ 18,331,000
N. Y. N. Haven & Hart.	May to May	5,755,000	—	117,000	+ 1,738,000
	11 mos.	69,051,000	—	2,556,000	+ 15,550,000
N. Y. Ontario & Western	June to June	715,000	—	113,000	+ 185,000
	12 mos.	8,927,000	—	325,000	+ 2,141,000
Norfolk & Western	June to June	4,330,000	—	586,000	+ 1,559,000
	12 mos.	42,938,000	—	1,712,000	+ 13,229,000
Northern Pacific	June to June	5,336,000	—	474,000	+ 2,104,000
	12 mos.	63,172,000	—	7,277,000	+ 21,550,000
Pennsylvania System	June to June	21,501,000	—	425,000	+ 5,801,000
M. of Pittsburgh	6 mos.	112,762,000	—	3,916,000	+ 19,939,000
W. of Pittsburgh	June to June	10,109,000	—	206,000	+ 2,655,000
	6 mos.	52,017,000	—	1,937,000	+ 8,810,000
Pitts. C.O. & St. Louis	June to June	3,328,000	—	9,000	+ 685,000
	6 mos.	18,439,000	—	727,000	+ 3,081,000
Phila. & Reading Ry.	May to May	4,082,000	—	141,000	+ 1,300,000
	11 mos.	43,405,000	—	3,178,000	+ 13,340,000
Phila. & R. Coal & Iron	May to May	2,297,000	—	635,000	+ 109,000
	11 mos.	28,124,000	—	2,594,000	+ 438,000
St. L. & San Francisco	May to May	3,412,000	—	148,000	+ 946,000
	11 mos.	39,560,000	—	1,944,000	+ 11,219,000
Seaboard Air Line	June to June	1,629,000	—	324,000	+ 397,000
	12 mos.	21,280,000	—	4,140,000	+ 5,295,000
Southern Pacific	June to June	11,964,000	—	419,000	+ 3,598,000
	12 mos.	129,866,000	—	8,656,000	+ 35,659,000
Southern	June to June	4,744,000	—	489,000	+ 1,139,000
	12 mos.	62,200,000	—	8,551,000	+ 13,400,000
Union Pacific	June to June	7,327,000	—	37,000	+ 2,826,000
	12 mos.	86,958,000	—	5,157,000	+ 30,180,000
Wabash	June to June	2,321,000	—	34,000	+ 128,000
	12 mos.	29,083,000	—	1,117,000	+ 5,820,000
Western Pacific	June to June	615,000	+	91,000	+ 232,000
	12 mos.	6,708,000	—	543,000	+ 1,255,000



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# The Statist.

LONDON, SATURDAY, AUGUST 21, 1915.

## THE ADJUSTMENT OF THE AMERICAN EXCHANGE.

THE great fall this week in the American sight exchange to 4.64, a discount compared with normal of nearly 5 per cent., and the export of a large amount of gold from the Bank of England to the United States, have drawn attention to the exchange situation in a somewhat dramatic and startling manner; and it is evident that no further delay must occur in adjusting the trade balance and enabling the country to pay for the great quantity of goods it is purchasing from abroad. Normally, when the exchanges move against this country, all that is necessary to be done is to advance the Bank of England rate, and thus to induce a number of persons in various parts of the world to reduce their obligations to London. This repayment of sums due to London from other lands on floating account, or the remittance here of additional sums of foreign money for employment in the London market, causes the exchange to recover, stops the export of gold, and, after a short time, brings fresh supplies of gold to this country. But these conditions prevail when the country is living within its income, is exporting large quantities of capital to other lands, and when great sums of money in all parts of the world are under the control of British bankers. Since the War began the situation of Great Britain in this respect has completely changed. In consequence of the War the British people have been calling home floating capital from other countries, and it has been received and consumed in the great imports of goods that have been purchased for war and other purposes, and at the present time the stock of floating capital in other lands has been greatly reduced. Great Britain is no longer lending money in the normal way voluntarily to foreign customers, although it is lending large sums of money to its Allies and Colonies. And the country is no longer living within its income. Consequently, we are now brought face to face with a situation in which we are buying from abroad vast quantities of goods which can be paid for in four ways: (1) The balance of the floating capital of the country still employed abroad may be brought home; (2) British investors may sell their holdings of American securities; (3) large shipments of gold may be made; and (4) foreign credits

may be created, and goods paid for by the creation of loans abroad. But all of these four methods together are insufficient. In the first place, it is undesirable that we should call home the whole of our floating capital, as if we do our foreign trade will be seriously hampered by the difficulties which would arise in securing the shipment of produce from the farms and plantations to the world's markets in general and to this country in particular, and there would be serious danger of our export trade suffering seriously and of our income being reduced. Again, it is not altogether desirable in these days to ship gold across the seas in large quantities, having regard to the danger of such remittances. Moreover, the quantity of gold in this country and in the Continental banks is not large enough to enable this method of payment to be continued for any length of time, although gold shipment may, and should be, resorted to in an emergency. Thirdly, the amount of American securities in this country is a large one, but it is difficult to induce investors who rarely change an investment they have once purchased to sell their securities. Moreover, not infrequently the securities held are not readily marketable at such a time as this. At any rate, experience has shown that this method of paying our way cannot be depended upon to provide more than a small part of the sums we need. Lastly, the question of foreign credits is not a very feasible method of paying for goods, having regard to the fact that practically all the creditor nations who normally lend capital to other lands are at war, and that the amount of money in the United States available for investment abroad is limited. It is true that New York is desirous of becoming a great international money market, and that the American people are more anxious than they have ever been before to employ money outside their own borders. But so far their foreign investments have reached a very moderate sum, and although the American people have the power if they care to use it of lending very large sums abroad, as yet they have shown no great disposition to use their power.

There is, however, another method, and that an infallible one, by means of which Great Britain can adjust its adverse trade balance, and obviate the necessity for calling in its capital, shipping gold, selling securities, or borrowing abroad. Of course, it would be necessary to ship gold or securities or to borrow in order to adjust our existing indebtedness to foreign nations. But after our existing debt on current account is liquidated, there is no reason whatever for creating a fresh floating debt to other countries. The adverse trade balance now existing arises from the small effort that so far has been made to meet our great war expenditures by economies in the expenditures of the civil population. Naturally, a rich country such as Great Britain is warranted in meeting abnormal war expenditures out of its accumulated capital, and whether it sells securities or borrows money from other lands, or calls in its floating capital from abroad or exports gold, the operation means that it is meeting its foreign purchases of goods out of capital. But experience is showing that with the best will in the world to avoid placing burdens upon the whole people, circumstances now insistently demand that the country shall meet its war expenses almost entirely out of its income, and that the nation must now be called upon to submit to the sacrifices and to the self-denial essential to the successful conduct of the War.

The great fall in the American exchange in the last fortnight is indeed a peremptory call to the nation, that cannot be disobeyed, to effect economies in its expenditures and in its consumption, in order that our purchases from abroad may be no greater than we can pay for by our exports and by our foreign income from interest and from services rendered to other nations.

Roughly speaking, the imports of the country at the present time, both public and Government, are at the rate of about £1,000,000,000 a year. If from

this be deducted the re-exports amounting to about £100,000,000, net imports of some £900,000,000 remain. To this, however, must be added loans to Allies and Colonies, amounting to about £200,000,000 a year, giving a total sum that has to be met in one way or another of about £1,100,000,000. Of this great total our exports may be expected to give about £400,000,000, at their present monthly rate, and our interest and services another £350,000,000. Thus, after placing against our imports the sums available to pay for them, there is a deficiency at the rate of about £350,000,000 a year.

This calculation of an adverse trade balance of £350,000,000 is based upon the assumption that the annual foreign and undisclosed purchases of the Government and its remittances to the armies in France, Egypt, and the Dardanelles do not exceed £100,000,000 a year. But with the army on the Continent growing greater, and with the deliveries of goods on Government account from Colonial and foreign countries increasing from month to month, the aggregate sums that may have to be remitted abroad by the Government may appreciably exceed £100,000,000 a year, and it is possible that the adverse trade balance in the second year of the War may run up to £400,000,000 on the existing basis of expenditure.

Ever since the War began the foreign trade balance has been against us in consequence of the country spending a greater sum upon war and upon domestic consumption than it could meet out of its income, but hitherto it has met its excess expenditures out of the large floating balances it had in all parts of the world, and especially in the United States, and by the sale of a moderate amount of American securities. Although it is not possible to reduce these floating balances much farther, the nation will be able to sell from week to week a considerable amount of its American securities. Nevertheless, the amount will not be nearly large enough to provide the sum required. Moreover, if we were to depend upon this method of meeting the adverse balance we should be liable from time to time to come upon a situation in which sales of securities might be made with difficulty. At the outside we ought not to rely on selling our American securities at the rate of more than about £2,000,000 a week. If this were the amount disposed of we should be able to provide a sum of about £100,000,000 a year for several years.

The country possesses a substantial stock of gold, and if really necessary we could no doubt export in the aggregate something like £100,000,000 of gold. At any rate, we could probably export this amount if France and Russia contributed their quota. But these reserves ought to be retained for periods of emergency, and should be used during such periods to no greater extent than is needed to introduce permanent measures to rectify the situation. The amount of gold we can afford to export ought, however, to be left out of account in arriving at the amount of goods we can buy from abroad from year to year without straining our resources. Whenever it is necessary to pay for goods to any appreciable extent out of our gold reserves, then it will be obvious that we are spending more than the nation can afford to spend.

Our power to purchase goods from abroad would, however, be substantially increased if we were able to borrow any substantial sums in foreign countries until the War was over. It will be realised that what may be termed accidental loans are of little or no use except for the purpose of adjusting a temporary difficulty. We have no doubt of the power of the United States to make such loans, but so far that country has shown no great disposition to do so. Doubtless this has arisen from the low rate of interest at which British loans have been placed at home, but, whatever may have been the cause, the fact remains that in spite of our great purchases of United States produce and manufactured goods of all kinds and descriptions, that country so far has shown no serious disposition to

supply credit as well as goods. Therefore, it would be unwise to assume that we can finance any substantial part of our purchases of American goods by loans obtained in the United States. Hence it is evident that we must arrange our purchases on such a basis that we eliminate the need of American credits.

In brief, the nation must confine its total expenditures, including its war expenditures, to its income, plus the moderate sum it may realise annually from its American securities. Roughly speaking, this means that the nation ought to reduce its imports by about £150,000,000 a year, and increase its exports by a corresponding extent. Of course, it would be still better if the country would reduce its imports by some £200,000,000 a year and increase its exports by £200,000,000, as by so doing it would obviate the necessity of selling any securities in the United States.

And not very much difficulty should be experienced in effecting this adjustment. In the first place, we still have a margin of unemployed export power. In answer to inquiries we have made respecting the cotton trade we learn that the mills could produce a much larger quantity of goods than they are now producing, notwithstanding the smaller supply of labour, and, moreover, that there is the prospect of larger orders coming in from India, China, and South America. So far in the current year our exports of cotton goods have contracted about 30 per cent. in comparison with last year, and it is obvious that our present exports of cotton goods could be very largely increased, even under war conditions.

With regard to woollens the situation is less favourable, as the decline in the export trade has been attended by an enormous expansion in the home and war trades, and the number of people engaged in the woollen industry is now greater than ever. But if the country were to become economical in the matter of woollen clothing a considerable margin of production would be set free for export, and the value of our exports would show sensible improvement. The demand upon our iron and steel industries at the present time for war purposes is unprecedented, and there is evidently very little margin here available for expanding our exports, unless, of course, our men under the stress of necessity find they are able to work longer hours without loss of efficiency, and the machinery is run for additional hours. The decline in our exports of coal is greatly to be regretted, as the whole of the income from coal comes to this country, no raw material having to be imported in connection therewith. It is true that some 20 per cent. of the miners have enlisted, but the number of men still engaged is so large, and the days lost are so many that if the remaining men would work somewhat harder than usual and more regularly we should be able to send abroad nearly as much coal as usual. These various considerations apply to practically all the other trades of the country. In brief, what is needed to increase the export trade by the required £150,000,000 is, first, economies in consumption, thereby setting free for export goods now used in the home trade; secondly, more efficient work by the workers; and thirdly, an increased demand for our goods for other countries from which we are buying so heavily. Moreover, no very great difficulty should be experienced in curtailing imports to the extent of the required £150,000,000, a sum that represents less than 7 per cent. of the expenditures of the country. If everyone would be more sparing of clothing and would somewhat reduce the consumption of foodstuffs, the amount could be found. In considering this matter one realises that if the British people were to become more economical and the demand in proportion to the supply were reduced, not only would a check be given to the advance in the prices of commodities, but a fall would probably be witnessed. Without a reduction in consumption there is already a halt in the advance in prices, and if the nation made a serious effort to become more economical a decline

would be inevitable. Of course, a fall in prices would reduce the need for economy. If the nation were to initiate substantial economies for a period of even three months the fall in the prices of commodities we buy from abroad would permit consumption to become much greater for the remainder of the crop season.

In brief, there is no insuperable difficulty, indeed, no serious difficulty, in readjusting our foreign trade balance, and with it our foreign exchanges, by moderate economies and by greater efficiency. All that needs to be done is to give the nation the incentive that will cause it to adopt the necessary measures. In all former wars that incentive was given by taxation, which kept down private spending power at a time when war expenditure was being made. So far there has been no check whatever placed upon the domestic and private expenditures of the people of this country in the present war, notwithstanding an expenditure of some 670 millions upon war, over and above the 80 millions usually spent upon the Army and Navy, in the past year. The adverse state of the exchanges is due to this simple fact. The current war expenditures of the nation are at the rate of over 1,000 millions a year, and although the greater part of this money is spent within the nation the effect of it is that the nation is spending some 350 to 400 millions a year more than its income permits it to spend. Ever since the spring the Government has appealed to the country to make economies in its expenditures in order to make good the Budget deficit and at the same time to adjust the foreign trade balance. These counsels have hitherto had practically no effect. They have been listened to with every desire to follow them, but custom and habit are stronger than mere wishes. It is evident, therefore, that the time has come when the Government must cause the nation to become more economical by taxation in order to balance both the Budget and our foreign trade account.

It is beyond the scope of the present article to suggest how much taxation should be imposed. The amount will probably depend upon the manner in which the present exchange difficulty with the United States is adjusted. If the effect of the conferences that are being arranged between British and American bankers are productive of results the economies necessary would not have to be as great as otherwise they must be. In any case, however, it is evident that when Parliament reassembles in September it will unanimously support the Chancellor of the Exchequer in whatever measures he considers essential in order to confine the total expenditures of the nation to a sum within the power of the country to meet without any great strain, and that in this way the present unprecedented balance of trade against this country will be permanently adjusted.

The measures which the Government and Parliament will take cannot be introduced for several weeks, and in the meantime the adverse trade balance is growing greater and must be provided for. Hence, something must be done without delay to bridge the interval. A report is current in America that representatives of the British Government and British bankers are about to visit New York to arrange a plan for adjusting the exchanges. No official announcement has, however, been made on this side. Nevertheless there is a widely prevalent report that Sir Edward Holden has been asked by his fellow bankers to represent them. If this report be true the choice of the bankers is a happy one. Sir Edward has been a frequent visitor to the United States and has worked in very close co-operation with American bankers for a great many years, both in periods of prosperity and of stress. Indeed, he rendered American bankers very valuable assistance in the banking crisis of 1907 by sending them large amounts of gold when they were in urgent need of it.

Now that the question of the foreign exchanges is to be taken up seriously by the Government and our

bankers, close co-operation by everyone—the Government, the Bank of England, the joint-stock banks, and the public—is essential, and we do not doubt for one moment that the matter will be completely, conclusively, and permanently arranged, and that very little further difficulty will arise during the war in paying for all the goods that we and our Allies buy from other lands.

### BENGAL DOOARS RAILWAY.

The interim report of the Bengal Dooars Railway Company, covering the half-year to March 31 last, shows that the profit was reduced by £5,450, or 19.4 per cent., compared with a year ago. The sum available for distribution was, however, as much as £22,652, or sufficient to have paid a dividend of  $5\frac{1}{2}$  per cent. actual on the Ordinary stock, or at the rate of 11 per cent. per annum. The distribution made at the rate of 6 per cent. per annum calls for a sum of £12,000, and there is thus a surplus of £10,652, which, added to the balance of £23,774 brought into the accounts from the preceding half-year, makes a total undivided surplus carried forward of £34,426, as against £31,262 a year ago. The gross earnings for the six months were reduced by Rs. 28,790, or 3.27 per cent., the whole of the decrease being in coaching receipts, which were down as much as Rs. 33,862, or 13.9 per cent. On the other hand, goods traffic produced Rs. 1,754 more than twelve months previously. Unfortunately, this loss of revenue was accompanied by an increase of Rs. 36,331, or 11.8 per cent., in working expenses, the ratio to gross receipts being raised from 36.94 per cent. to 42.46 per cent. The currency net earnings consequently declined Rs. 65,121, or 11.8 per cent., and in sterling they show a similar proportionate diminution.

The decrease in earnings continues, and in the first three months of the current half-year the decline reaches about 11 per cent., as compared with the corresponding period of 1914. The Company is, however, in a strong position, and should have no difficulty, despite the falling off in earnings, in maintaining the final dividend this year at the rate of 8 per cent. per annum, making 7 per cent. for the twelvemonth. For the year to September 30 last the net income of the Company amounted to £66,398, and after paying the annual dividend on the 4 % Preference stock there was a surplus for the Ordinary of £51,998, a sum equal to a dividend of nearly 13 per cent. If, however, we deduct from this the loss sustained in the first half of the current year, there still remains an available balance of £46,548, and as this is equal to a dividend of  $11\frac{1}{2}$  per cent. on the Ordinary, the margin behind the distribution of 8 per cent. is still large.

The "temporary" regulations under which business was to be conducted after the reopening of the Stock Exchange on January 4 this year have been in operation now for well over eight months. Intermittently during the period expressions of discontent have been heard, and are being revived, at the absence of any amelioration of the drastic conditions now in force, and the hope is being expressed that the Stock Exchange Committee may be induced to re-examine the position and ascertain if it be possible to meet the views of members of the Stock Exchange, who express themselves as very dissatisfied with regulations as they are, and then discuss a re-formulated procedure with the Treasury. Opinion is held by well-informed members that reasonable modifications might be asked for, and even though not of drastic character the evincing of a disposition to meet the wishes of members of the Stock Exchange and at the same time assisting in the easier conduct of business for the public would be very welcome.

## THE UNITED KINGDOM AND THE UNITED STATES.

It is understood that measures are arranged which will bring the New York exchange into order; and, likewise, that cotton is to be declared contraband. All this is well, provided it is settled with the consent and approval of the United States Government. For it is to be recollected that the great aim of this country throughout this War, and still more in the peace negotiations, ought to be to make war in the future as rare a thing as possible. That war can be completely ended while man remains such a savage as he is at present we do not for a moment flatter ourselves by believing. Wars will recur in spite of the very best intentions. But if we take the trouble, firstly, to understand the true character of the enemy we are fighting—and elsewhere information upon that will be found—and, secondly, to arrange with neutrals, and especially with the greatest of the neutrals, the United States, so as to give evidence to all concerned that we honestly desire peace—that we do not render to it mere lip service, but that we know thoroughly well that peace is our greatest interest, and that the War is being fought mainly to prevent wars recurring in the future—we shall make some progress towards the maintenance of peace for a very long time. For the sake of the trade between this country and the United States it is necessary that the New York exchange should be rectified. Whatever is necessary ought clearly, therefore, to be done. And if it is done in accordance with American ideas it will be all the more successful. There is talk of a British loan being brought out in the United States. If the American Government has no objection, and the investors of the United States are favourable, it would undoubtedly be an excellent measure. We have wondered not seldom that our own Government did not make the two War loans it brought out more acceptable to the United States than, in fact, they were. However, better late than never. If the Government has now ascertained the true feeling of the United States on these points, and takes measures to set the New York exchange in order, it will do a great service to both countries, and, indeed, to all the world. But there is more to be done. We hope the Government will cease tinkering, will look at all the questions pending between ourselves and the United States as forming one great block, and will endeavour to deal with them in the mass. In saying this, of course, we do not mean that each particular question does not need the most careful examination and far-seeing arrangement. What we do wish our readers to understand is that peddling and patching are objectionable; that the relations between ourselves and our kinsmen at the other side of the Atlantic ought to be placed on a thoroughly friendly basis; that every point that needs settling should be settled; and that we should meet our kinsmen in a thoroughly kinsmanlike spirit. We do not in the least believe that the American people wish to take advantage of us, or of our Government, simply because we are just now in a tight place. Neither do we believe that the American Government and the American people desire to alter International Law to our disadvantage as the greatest of naval Powers. America knows what benefit she received from International Law during her great Civil War; and she is well aware, in addition that, however peaceful she may be, she may be drawn into war nevertheless. Therefore, it is her interest as well as ours not to act in a manner that would favour Germany and injure Britain. She is neutral, and, therefore, she will show no undue favour to either party. If we meet her in a thoroughly cordial and kinsmanlike spirit we are perfectly convinced that she will meet us in the same spirit, and that all the difficulties between us will be settled with ease.

## GREECE.

THE Greek Government which held office since the retirement of M. Venezelos has resigned. The King has sent for the most statesmanlike of modern Greeks, and everybody expects, at home and abroad, that he will be in charge of the destinies of Greece immediately. No doubt he has very many difficulties to overcome, and the task he is called upon to perform is less easy now than it was when he was practically driven from office. But M. Venezelos is a true patriot, and he has the courage to serve his country in a dangerous time. We venture to think that the *Entente* Powers have not acted in their relations with all the Balkan Powers since hostilities began either with due regard to their own interests, or with proper understanding of the true interests of the Balkans. To us it seems as clear as the sun at midday that one of the great desiderata when peace is concluded is that the Balkans should be satisfied with the new map of Europe. There are many difficult questions confronting us in the future. Few of them are more difficult than the relations between Germany on the one hand and Russia on the other. Germans have professed time out of mind that Russia was a danger to the whole Continent; that she was growing with extraordinary speed; and that before long she would become too powerful for resistance by any single State; consequently, that the leadership of the Continent would be hers before long if something were not done to prevent it. No serious student of international affairs doubts that one of the motives which induced Germany to plunge into this mad War was the fear that the reconstitution of the Army and the reconstruction of the Navy by Russia foreboded a most formidable war between herself and her great Eastern neighbour. Therefore, if this War is to secure a very long period of peace on its termination, it is incumbent upon the various Governments to do whatever is practicable to prevent collisions between the two Empires. We take it for granted that the Slav portions of the Hapsburg Monarchy will be given autonomy. If they are not, the hope of a long peace may be thrown to the winds. If they are, then there is room enough for creating a number of autonomous States which will form between Germany on the one hand, and Russia on the other, a really effective buffer. By that we do not mean that they will be strong enough to deter either Russia or Germany from making war, but that if they are formed in the true statesmanlike spirit, and some kind of Coalition or Confederation arises between them, then there will be hope that, for a long time at all events, war may be put off. Apart from that, even the four Balkan States that now exist will be a danger unless measures are taken to avert it. We want Greece, Serbia, Roumania, and Bulgaria to be sufficiently satisfied with the new arrangement to consent to enter into a Treaty, offensive and defensive, if not into an actual Confederation. Therefore, if our Government had been wise, it would not have declared that the small States should decide for themselves whether they would or would not remain neutral, but it would have brought all its influence to bear both upon its Allies and upon those small States to settle how the differences between the latter were to be arranged. Even now it is not too late. We see no reason why Bulgaria on the one side, and Greece and Serbia on the other, should not be treated so as to give them the greater part of what they demand—to give them, in fact, such accessions of territory as would add very materially to their powers separately and would make them all in conjunction very formidable enemies. Naturally, Germany and Austria will use all their influence to keep alive the jealousies between the Balkan States. The *Entente* Powers must be quite aware of that, and ought to bring countervailing influences to bear, so as to put an end to those jealousies and suspicions. They have abundant means of satisfying all the parties.

Indeed, there probably would not be very great difficulty in satisfying Great Britain and Roumania, were it not for the determination of B. L. to get back everything she lost by the Treaty of Bucharest. But it is scarcely credible that there is not statesmanship enough amongst the four Great Powers to arrange that difficulty amicably. Above all things, however, a sense of wrong should not be left rankling in the minds of any of those States.

### STATE SOCIALISM IN WAR.

THIS War is teaching us much, particularly it is teaching us that those who most looked up to Germany quite misunderstood her aims and her spirit, and that nobody realised what these in actual fact were. In this Journal we have frequently, even before hostilities broke out, called the attention of our readers to the very considerable extent to which Prussia, and through Prussian influence Germany, had adopted State Socialism. But we confess that even we did not fully comprehend how entirely State Socialism had taken possession of the minds of the ruling classes in that country. The course of the War, however, has brought the truth home to us. If one seeks amongst the multitude of articles, speeches, and books that one has access to, an answer to the question What is it that has enabled Germany to hold the greater part of Belgium and a very considerable portion of France, and at the same time to drive the Russian Army out of Galicia and practically also out of Russian Poland in so short a time? The answer one usually gets is that Germany had prepared her Army so effectually that she had been able to bring into the field greater numbers than her adversaries. But if the reader will pause for a moment and remember that Russia alone has a population larger than those of the two Central European Empires added together, he will see how very incomplete that answer is. The latest census, taken five years ago, shows that the population of all Germany had not quite reached 65 millions, and at the same time the population of Austria-Hungary was under 54 millions, making together, therefore, 119 millions. Russia alone has a very much larger population; and to the Russian population we have to add those of the British Empire, France, Italy, and Serbia, while Germany has likewise to be prepared against attacks at any moment from Japan and possibly from other countries. Is it not obvious that it is not numbers that are playing the wonderful part which we witness? It is quite true that none of the adversaries of Germany had during peace time given the same care to preparation for war, but even that does not explain the facts. Germany, it is, of course, indisputable, has been preparing ever since 1870 for this War; has chosen her own time; and attacked in her own way. But it must not be forgotten that Russia and France had imitated the Prussian military system; and that when the two are added together they have it in their power to put in the field much larger forces than Germany. Granted that the Manchurian War threw the Russian plans out of order and that the French Government did not realise the danger to which it was exposed, yet the facts are plain that it is neither military preparation, nor superiority of numbers, nor both combined which enables Germany to do what, as a matter of fact, she is doing at this moment.

The real explanation is that a new force has appeared, a new political organisation which has often been talked of, but which never before was realised. Everybody is aware of the growth of Socialism amongst what are called the masses, more particularly upon the Continent. But few have taken seriously the German talk about State Socialism; and yet, as a matter of fact, Germany is organised at the present moment as a Socialist State, and it is that organisation, much more than the mere military organisation taken

over the history of Prussia it will be recollected how the little border State, or March, of Brandenburg grew into the Kingdom of Prussia; how Frederick the Great, finding himself, owing to the care and foresight of his two immediate predecessors, master of a surprisingly large army for the resources of his kingdom, and of a full treasury, added Silesia and Posen to his Dominions. It was not, however, until Prussia lay under the heel of the Great Napoleon that she entered upon the Socialist programme. Stein and Hardenburg, for reasons known to our readers, reorganised the State and, for the first time in modern Europe, they reversed the action of other important Governments in regard to the different classes of the State. France, it is true, in the Great Revolution, had swept away the landowners and the Church and parcelled out the land amongst the people. But she had done that as a revolutionary Government created by an uprising of the poverty-stricken. Prussia, on the contrary, was a despotic monarchy and did not consult the people in what she did. The serfs were freed, and a great peasant proprietary was created. At the same time, universal liability to military service was made obligatory on all men of fighting age, and national education was introduced for the poor. The reorganisation, in fact, was an undoing of much of the work that had been done by Rome and by feudalism; and for the first time in the modern world, at all events, a Government had peacefully carried through a revolution which made the peasants owners of a very large part of the land. The system thus established has since 1870 been extended to Germany; and at the present time the Army, the Navy, the school children, and the school and university teachers are all practically servants of the State. The Government has the legal right to call up every man of fighting age. It enforces a system of education devised by itself and superintended by it. And it controls the teachers of all ranks, from the highest to the lowest absolutely. What the Government wishes to be taught is taught. Even the newspapers themselves are under the thumb of the Government, so that the ordinary man and woman in Germany only learn what the Government wishes them to learn, and every man is liable to orders from the Government. Socialism in its most complete form is thus established; only, whereas the professed Socialist teachers have dreamt of the Socialism directed by the poor, this is a Socialism directed by a practically despotic Government through an exceedingly able bureaucracy. The German Government, however, has not rested content with controlling the Army, the Navy, the schools, and the Church. It, likewise, controls every form of business. The Prussian railways are all owned by the State. And the management of them is vested in a Department of the Prussian Government. That Department is careful to consult the manufacturers and great merchants as to where extensions of lines are required, and what changes ought to be made; and for that purpose special committees have been called into existence to keep constantly in touch with the railway administration. Furthermore, the Government is a great owner of other kinds of property. When the Bank of Prussia was turned into the Reichsbank, its capital was furnished by shareholders, but its government was vested, firstly, in a president appointed by the Government, and removable by it, and he was made subordinate to the Imperial Chancellor. To all intents and purposes, that is to say, the Imperial Bank is a branch of the Imperial Government. The Government of Prussia owns directly the Seehandlung. Furthermore, it owns very large properties of various kinds. In addition to this, the German Government makes its diplomacy a kind of commercial traveller for its subjects. Every person or company of sufficient importance to be able to put himself or itself in communication with the Government is sure to obtain the

assistance of the representatives of Germany abroad in obtaining concessions of every kind. Lastly, the Government has been careful to prove to the working classes that their interests, likewise, are cared for. Everybody will remember that the Insurance Acts which have been so widely imitated by other Governments were introduced by Germany. To all intents and purposes, then, we have a Socialist Government in Germany forming the minds and opinions of its people, and directing their actions even in the minutest matters.

It is this Socialistic organisation which is giving to Germany the extraordinary vigour she is displaying. Not only is her Government managing its own affairs, but it is also managing those of bankrupt Turkey and of distracted Austria-Hungary. It has so trained its people that they accept everything it tells them. And it has breathed into them a spirit of complete devotion to the State, and of the entire rectitude of its aims and its actions. When Mr. Asquith declared that this country would not make peace until it had completely put down Prussian militarism, he gave clear evidence that he did not understand Germany in the least. Prussian militarism is but one aspect of Prussian Socialism, which has now become German Socialism, and the militarist spirit is not confined to the military authorities. It is universal, for half a century has been devoted to instilling it into the people of Germany. Previously, it had been fully cultivated in Prussia. What we are to understand, then, is that Prussian militarism is only one aspect of the wonderful organisation, and that Prussian militarism will not be put down as long as the Prussian people and Government believe that by organisation, devotion to the Government, and perfect union, they can defeat any combination of enemies. At present Germany has been assimilated by Prussia and has adopted the notion that it is not individual interests that should be considered, but the interest of one great common State. Of course, individual interests play their part, and always will play their part as long as man is what he is at present. But we see in the case of Germany how in the greater matters of State even individual interests can be silenced and a common purpose can be pursued. Since the time of the Reformation nothing like it has been witnessed in Europe. At the time of the French Revolution it seemed for a time that revolutionary principles might play as great a part as religious reform ideas played a few centuries earlier. That notion, however, proved to be false. But in the case of Germany, at all events, we see State Socialism is, as a matter of fact, as influential over the whole people as the religious sentiment was for a century after the days of Luther. Ecstatic exaltations of that kind sometimes last surprisingly long. The religious fervour bred by the Reformation spread to the members of the old religion, and tore Europe asunder for several generations. Whether State Socialism is capable of prolonging itself and entering into other bodies remains to be seen. But if we are to conduct this War so that we shall bring the aggressor enemy to his knees quickly, we ought by every means in our power to understand what we have to deal with, and to adopt the measures which are really calculated to defeat our foes. If we have determination to win, we can win, for resources of every kind, in men as well as in money, are on the side of the *Entente* Powers. We can only fail if we lose heart and cravenly accept what peace Germany condescends to give us. If, on the other hand, we persevere until we win, it is in the highest degree desirable that we should thoroughly understand what the enemy is we are face to face with. If the War is to be rewarded by a long continuance of peace, we must know where the evil seed is, and we must extirpate it at any cost.

## THE SHIPPING YEAR AND THE CORN TRADE.

THOUGH the earliest figures recorded have not been available for more than a fortnight, there are not a few points about the completed returns of grain exports for the shipping year which elude knowledge and seem to invite more inquiry. The shipping year 1913-14—that is to say, from August 1 to July 31—was a typical twelvemonth of a progressive international commerce under conditions of profound peace, so profound, indeed, that cargoes of grain on passage were written off as available food for average date of arrival on mean length of voyage. The shipping year 1914-15 has been one of world warfare, laying down its own conditions as it went, a great vessel venturing a new ocean and laying down its cable with the old era as it goes.

The extraordinary circumstance of the twelvemonth has been the importance of Turkey, or rather of that geographical position which has enabled a third-rate Power to defy three of the first order and to blockade the enormous grain export surpluses of Russia. The British, French, and Italian ports have had to find the substitute for this Russian grain, and they have had to obtain it in ships outside the Euxine. This extra call on oceanic tonnage has been too little noticed, a reopened Dardanelles will almost certainly reduce freights and thereby work double tides, the Russian surpluses lowering prices by direct action, while the produce of countries across the ocean will reach us with reduced cost of carriage.

The first great source of supply to which in the War emergency the Allies have looked has been North America, and the following table shows that increased shipments of wheat, barley, oats, and maize have resulted. But the way North America has exercised its option over feeding stuffs in the matter of shipping oats and retaining maize is most remarkable. What is the cause at work? Does the North American owner of live stock and poultry regard maize as the more useful food and oats as a product to sell off the farm, or have British and French buyers shown a marked preference for the oats? We do not suppose that the price changes have affected the choice very much. American oats have risen 3s. 3d. per cwt. from pre-War prices, and maize is 2s. 6d. per cwt. up. Each advance is ample to tempt sales. The exports of wheat present no such curious problem as do the figures for oats and maize. They, indeed, may be said to surprise by their conformity to theoretical expectation. The net wheat production of North America available for export last August was reckoned about 16 million qrs. larger than that of the previous season. The actual increase in wheat shipments to Europe has been 14,652,000 qrs., and with the shipments to China, Melanesia, Central America, and Brazil, which are not included in the "European" figures, the whole 16 millions are fully accounted for. Barley figures are very ordinary; America mainly exports a fine grade useful to the brewer.

North American Shipments (unit 1,000 quarters).

	Wheat		Barley		Oats		Maize	
	1913-14	1914-15	1913-14	1914-15	1913-14	1914-15	1913-14	1914-15
Aug. ...	3,209	3,868	2-2	195	172	200	6	—
Sept. ...	2,195	3,775	123	362	80	485	4	44
Oct. ...	1,835	4,130	153	174	70	1,871	—	171
Nov. ...	2,571	3,749	156	233	100	577	25	273
Dec. ...	1,662	2,867	151	219	48	8-8	—	82
Jan. ...	2,137	3,995	220	239	102	651	52	561
Feb. ...	1,200	3,289	60	238	28	847	53	600
Mar. ...	1,385	2,557	127	149	48	772	24	740
April ...	954	2,642	136	231	45	1,440	22	941
May ...	1,620	3,075	194	38	231	1,991	3	605
June ...	1,780	2,143	146	73	244	1,744	—	269
July ...	2,202	1,439	126	115	224	1,338	—	260
Total	23,200	37,852	1,844	2,256	1,392	12,730	189	4,546

freely from April to July. The wheat surplus is assumed and the grain got into motion without delay; but in the case of oats, growers clearly pursue a policy of waiting and seeing, they do not denude themselves of feed until assured that there is a margin. They see their stock and breeds well over the winter before they part with the grain.

South America, like the Northern Continent, has made a big effort in wheat exports. Italy, which much prefers Russian wheat, held on in desperate hopes of the fall of Constantinople, but eventually was forced to buy from across the ocean. Argentina, where two million Italians are settled, was naturally turned to, and happily the grain was forthcoming. The small increase in South American exports of maize has been simply a case of inability to do more than sell all that was grown and not absolutely needed at home. What is rather surprising is that there was not a much larger area sown, for the sowing season, October and November, came with the War at its height and with Europe clamouring for Indian corn. The price, however, rose slowly; 28s. was bid by Mark Lane, which now is paying 33s. per qr. Probably this extra 5s. would have made a good deal of difference. Reduced shipments of linseed are due to a small yield; it is a capricious crop and was sown before the War tempted to enlarge area.

#### South American Shipments (unit 1,000 quarters).

	Wheat		Oats		Maize		Linseed	
	1913-14	1914-15	1913-14	1914-15	1913-14	1914-15	1913-14	1914-15
Aug. ...	322	184	147	18	3,900	1,089	315	101
Sept. ...	64	34	59	15	2,422	934	215	79
Oct. ...	124	51	33	6	1,963	2,263	221	156
Nov. ...	136	27	25	37	1,539	2,191	311	172
Dec. ...	74	122	90	25	1,163	2,144	185	137
Jan. ...	349	150	936	594	1,137	2,146	746	346
Feb. ...	840	985	468	980	598	1,157	829	435
Mar. ...	934	2,244	427	616	171	663	872	796
April ...	440	2,687	360	590	822	503	411	530
May ...	581	2,582	305	413	1,090	671	315	783
June ...	482	1,326	205	261	1,411	1,924	372	400
July ...	183	495	188	193	1,813	3,120	246	468
Total ...	4,539	11,702	3,495	3,940	17,949	18,885	5,079	4,403

Statisticians cannot, any more than other mortals, have everything their own way, and the following figures for India do not present facts very clearly. The Indian crops are reaped in April, and the accompanying table gives no clue to the greatly increased production of India this year, an increased production the full measure of which, in the case of wheat, is assured to British markets by the Indian Government having commandeered the entire surplus. What that surplus is may best be judged by the figures of the three months since the new harvest, which show exports of 2,706,000 qrs., as compared with 1,415,000 qrs. for May, June, and July 1914. At this rate we may expect nearly a doubling of the year's total, or, say, a total exportation for 1915-16 of eight millions. The crop estimates published in May suggested a surplus of nine millions, so that over Indian wheat the anticipations of the experts seem to be in process of a quiet fulfilment. The remaining nine months of the Indian cereal year may give us from  $5\frac{1}{2}$  to 6 million qrs. Of barley Indian exports are most disappointing. With the one great rival producer of feeding barley, Russia, blockaded, the Indian grower, who sowed well after war had begun, was expected to rush in. There evidently has been no "rush," though the optimists of the Baltic suggest that the Government is absorbing the ship tonnage for wheat and transport, and that when the wheat surplus has been moved to British and French ports there will be barley forthcoming.

	Wheat		Oats		Maize		Linseed	
	1913-14	1914-15	1913-14	1914-15	1913-14	1914-15	1913-14	1914-15
Aug. ...	101	95	329	110				
Sept. ...	587	504	21	65				
Oct. ...	119	80	289	90				
Nov. ...	231	103	61	153				
Dec. ...	4	2	161	122				
Jan. ...	106	115	16	23				
Feb. ...	11	53	7	48				
Mar. ...	103	1	19	77				
April ...	69	3	7	107				
May ...	86	5	104	107				
June ...	563	1,437	12					
July ...	1,171	57	142	317				
Total ...	3,788	4,135	577	671	2,109	1,258		

The figures for linseed require to be read in conjunction with those from La Plata. Taken together, they make the present state of the linseed market most difficult of comprehension. Arrived cargoes of Indian linseed can now be bought at 55s., Argentine at 50s. per qr., prices often considerably exceeded in peace years. Yet the consuming countries are understocked, owing to small shipments by the producers since last August. The supplies on passage to all buying countries are only 360,000 qrs., or just half what they were a year ago. The U.K. imports, January 1 to July 31, have been only 1,295,000 qrs., against 1,506,000 qrs. last year, and now we have the news of the U.S.A. being a competitive buyer of Argentine cargoes. The shipping year in the corn trade, so far as mere figures go, points to moderate prices for wheat, maize, and oats, but to the probability of a dearer market for linseed. Feeding barley is already exceedingly dear, and, unless India can do something, must seemingly remain so till the Black Sea is once more open.

### AMERICAN COPPER PRODUCTION.

THE *Engineering and Mining Journal* of New York recently gave a table of the ore reserves of the large American low-grade copper mines, and from such table we extract the record of the developed and partially developed tonnage brought into sight at six of the low-grade porphyry mines, giving the estimated metal contents based on the expectation of an average recovery of 70 per cent. of the assay value of the ore. We have also added two low-grade Chilean propositions under American ægis, about which a good deal may be expected to be heard in the near future; these are the Braden and the Chile (Chuquicamata) Companies.

	Ore Reserves Tons of 2,000 Lb.	Contents of Copper %	Estimated Contents of Metal Copper* Tons of 2,240 Lb.
Utah ...	542,000,000	1.45	3,103,571
Nevada ...	41,000,000	1.68	430,357
China ...	90,270,000	1.75	986,607
Rav ...	74,665,000	2.21	1,033,928
Miami ...	36,500,000	1.85	421,428
Inspiration ...	87,143,000	1.63	1,130,357
6 American mines...	682,178,000		7,126,248
Braden ...	7,000,000	2.5	1,218,750
Chile (Chuquicamata)	303,300,000	2.0	3,791,287
2 Chilean mines ...	381,300,000		5,010,037

\* Based on extraction of 70% of assay value of ore.

### RAY CONSOLIDATED.

From the figures set out below it will be noted that as compared with the last half of 1914 there was a very large increase in the output of copper in the first half of 1915. It was hoped that the production of the June quarter would have been even larger than was obtained, but inasmuch as it requires several weeks to efficiently attain a full tonnage basis, such conditions did not come into force until July. In the June quarter of 1914, prior to the disturbance caused by the War, the output for the three months was 19 million lb. For the June quarter of 1915 it was approximately 14,500,000 lb., and for the September quarter may be raised to about 19,000,000 lb. For the June half of 1915 the output was approximately

29 million lb., against a little over 22 million lb. for the December half of 1914.

It may be recalled the Company suspended dividend payments after the collapse of the market in August last year as a consequence of the War, and for the September, December and March quarters succeeding made no dividend distributions. It re-entered the dividend stage in June 1915, with the former usual quarterly dividend of 37½ cents. This conservative action of suspending dividend payments—protracted for a longer period than had been anticipated—and only resuming a small dividend means that the unappropriated net profits accumulated at June 30, 1915, amounted to \$5,311,747, compared with \$3,776,368 at December 31, 1914. To pay a quarterly dividend of 37½ cents requires approximately \$550,000. The policy of abstention from dividends and not dividing up to the hilt has meant that from June 30, 1914, the sums added to unappropriated profits and included in the above total have been: September 1914, \$420,922; December 1914, \$174,945; March 1915, \$743,439; and after deduction of dividend paid June 1915, \$793,851.

#### Quarterly Progress of the Ray Consolidated Copper Company.

Year to	Tons	Grade	Gross Quantity	Price	Operating	Net
Dec. 31	(2,000 Lb.)	%	Copper	Realised	Costs	Income
1913.	Mined		Lb.	Cents per Lb.	Cents per Lb.	\$
March qr.	537,205	1.749	12,369,696	15.15	9.509	682,625
June qr.	587,877	1.703	13,402,394	15	9.558	726,759
Sept. qr.	575,190	1.72	12,969,120	15	10.156	661,085
Dec. qr.	665,024	1.715	15,004,727	14.83	9.98	774,018
Year*	2,365,296	1.72	54,341,029	14.99	9.783	2,874,316
Dividends paid 1913 (37½c., 37½c., 37½c.) interest and reserve						2,344,093
Unappropriated						530,223
* Year's figures adjusted.						
1914.						
March qr.	714,009	1.798	17,707,374	14.41	9.14	922,099
June qr.	764,040	1.786	19,062,555	13.92	8.62	1,003,075
Sept. qr.	546,734	1.691	12,636,185	12.48	8.74	463,550
Dec. qr.	402,917	1.74	9,639,586	10.87	8.64	213,427
	2,427,700		59,044,700			2,655,163
Dividends paid 1914 (37½c., 37½c., Nil, Nil) interest and reserve						1,873,606
Unappropriated						781,557
1915.						
March qr.	656,652	1.67	14,463,213	14.32	8.84	741,539
June qr.	679,004	1.67	14,524,380	18.63	9.06	1,340,886
						2,082,425
Dividends paid (37½c. June)						547,035
Surplus...						1,535,390

With every probability of an increased production in the quarter to September 30, 1915, and with so large a surplus in hand, there is the possibility, if not the probability, of an increase in the dividend to be declared for that quarter. Even should there be no increase the outlook for some time ahead is for a continuance of dividends at the rate of \$1.50 per annum in respect of the \$10 shares. At the present time the quotation is in the region of \$23, and at this price, allowing for accrued dividend, the yield to the investor, on the continuance of a distribution of 37½ cents quarterly, is approximately 7 per cent.

### CHINO COPPER COMPANY.

As an outcome of the War this Company damped down production to such an extent that for the December 1914 quarter the output was approximately one half of what it was for the June quarter. At the end of 1914 the policy was renewed of expanding the output. There was a fair increase in the March 1915 compared with the previous quarter, but for the June quarter the Company achieved a record. Besides showing the largest output for any quarter, it benefited from disposing its production at an average price of 17½ cents, or the best price during the Company's history, and also simultaneously worked at the lowest cost since the era of production commenced; hence profit income for the June quarter was nearly double that for the corresponding period of 1914.

This Company has not so drastically exercised a self-denying ordinance as to dividends as the other

American low-grade copper companies. All through the discomforts caused by the War it adhered to a dividend policy. It made a commencement in June 1913 of quarterly distributions of 75 cents per \$5 share. It continued such dividends to the middle of 1914, but reduced the distribution to 50 cents a quarter for the three quarters to March 1915 inclusive, and restored the dividend in the June quarter to 75 cents.

It will be noted from the table we give below that the net income of the Company for the June quarter was \$2,006,000, and the 75 cents dividend called for \$652,000; thus, in round figures, the net surplus for the quarter after meeting dividend requirements was \$1,354,000.

As to the future, the outlook is for a lower value per ton of copper produced, but the probability is that the output as to quantity will be maintained, and if there be ability to keep down costs to about the level of the June quarter, with an accumulated large unappropriated surplus profit to rely upon, in all probability a continuance of 75 cents dividends quarterly will be maintained. The statement below is interesting for its contrast for an extended period of the movement of output, selling price, costs, and grade.

#### Statements of the Chino Copper Company.

	Ore Treated	Grade	Metal Produced	Price Realised	Cost Returned	Total Income
	(2,000 Lb.)	%	Lb.	per Lb. Cents	per Lb. Cents	\$
1912	1,120,375*	2.077	29,237,966	15.64	7.69	2,337,302
1913.						
March qr.	429,750	1.91	12,021,872	15.06	8.24	807,823
June qr.	492,850	1.88	11,990,832	15.00	9.01	716,755
Sept. qr.	507,650	2.23	15,187,003	15.00	8.41	994,889
Dec. qr.	512,450	2.08	13,970,438	15.28	9.42	812,087
	1,942,700*	2.033	53,170,145	15.088	8.79	3,327,826
Quarterly dividends paid 1915 (75c., 75c., 75c.) int. & reserve						2,225,009
Unappropriated						1,002,817
1914.						
March qr.	582,200	2.18	17,288,678	14.43	7.57	1,238,982
June qr.	587,900	2.16	17,032,871	13.92	7.49	1,102,104
Sept. qr.	390,000	2.16	11,491,120	12.43	7.37	566,495
Dec. qr.	347,200	1.86	8,935,585	11.03	7.71	285,932
	1,907,300*		54,748,254	13.325		3,254,410
Quarterly dividends paid 1914 (75c., 75c., 50c., 50c.) int. & reserve						2,431,176
Unappropriated						823,234
1915.						
March qr.	406,000	2.19	11,732,508	14.37	6.38	890,637
June qr.	592,200	2.38	18,455,502	17.54	6.10	2,006,548
						2,897,185
Quarterly dividends paid 1915 (50c., 75c.)						652,455
Unappropriated						2,234,730
* Year's figures adjusted.						

The issued capital of the Company is 869,960 shares of \$5 each, there being no bonds. The latest mail advice gives the price of the share as about \$46, and at such a price on the basis of 60 per cent. dividends—i.e., \$3 per \$5 share per annum—the yield to the investor is a little over 6½ per cent.

"History and Economics of Transport." By A. Kirkaldy, M.A., &c., and A. D. Evans. Price 7s. 6d. (London: Sir Isaac Pitman and Sons, Limited.) This book has been written primarily to assist students in the Universities and schools of economics in their study of the science of transport. But while the authors hope mainly to be of assistance to students, there is much in the work that will be found interesting to the general reader.

Messrs. F. C. Mathieson and Sons have just issued the half-yearly edition of their highest and lowest prices, which contains particulars of every security officially quoted on the Stock Exchange, including the dates when the business was recorded. The highest and lowest transactions month by month show the cash prices for the first six months of this year compared with the prices for account monthly during the same period of last year, and yearly for the previous six years. Price 2s. 6d.

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## Financial Notes.

WE are glad to note that the South Wales Coal Conciliation Board is making good progress in settling all the matters which were left open by the agreement which brought to an end the South Wales strike. Both coal owners and miners, it will be recollected, are represented on the Board; and meetings have been held this week in London, under the presidency of Mr. Runciman, to arrange finally the matters which the two parties on the Board could not agree upon. They have very handsomely agreed to abide by the decision of Mr. Runciman on all matters which they cannot themselves come into accord upon. Mr. Runciman is quite right in taking time to consider carefully all the points, for it is of the utmost importance that his decisions shall meet with the recognition of both parties. That he has been nominated by a sincere desire to do what is fair to both we do not for a moment doubt. In addition, the public expects that he will give the fullest consideration to all matters, for the public is fully aware of the great importance of bringing about a thorough improvement in the feelings between employers and employed in South Wales. The feeling between them hitherto has not been as satisfactory as might be desired; and it would be unfortunate if any occasion were given for a complaint by either side that matters of importance had not received due weight.

At a meeting on Wednesday of the Coal Organisation Committee at the Home Office it was arranged that a conference is to be held shortly at a national conference of colliery owners and miners for deciding the question mooted for the suspension of the Coal Mines Eight Hours Act. The proposal has been put forward on the ground that the need for coal is felt so urgently, not only by our own Government, but by the Governments of our Allies, that their demands cannot be fully satisfied under the Eight Hours Act. Therefore, it is suggested that there should be a suspension, while the War lasts, of the Act, the suspension to be carried out by an Order in Council. We make no doubt that the men will agree if it is shown to their satisfaction that the outturn of coal at present is not sufficient.

The miners of the United Kingdom have given abundant proof of their patriotism. Indeed, over 200,000 skilled miners have joined the Army. Further proof than that is not needed of the admirable spirit which animates the miners. We have no doubt, therefore, that they will agree if the evidence put before them is sufficient to show that eight working hours does not permit of a sufficient outturn. We would urge, therefore, upon the Government, if it really is true that the Eight Hours Act ought to be suspended, that the evidence put forward shall be such as will convince the men. It is said that the coal-owners are already convinced and, in fact, are in favour of the proposal put forward. If that be so, there remains only to convince the men; and it is the duty of the officials concerned to put such evidence before them as will bring conviction. To suspend an Act which was only passed after a very long and threatening agitation is not a thing that can be lightly asked. But if it is necessary the miners will submit to it cheerfully, as so many of them have volunteered to fight the battles of their country in the field.

## ENEMY SHAREHOLDERS IN RAND MINES.

At the meeting of the General Mining and Finance Corporation last month Sir George Albu called attention to a fact about which there has been much misconception—that enemy shareholders in Rand mining companies are debarred from receiving any dividends. There certainly is a good deal of misconception concerning the distribution of dividends to holders of share warrants to bearer. Sir George pointed out that so far as German shareholders are interested in Rand mines very few share warrants indeed are held by German investors for the reason that there is a very heavy stamp duty on such warrants in Germany, and consequently almost invariably German shareholders hold inscribed stock, share warrants in the main being held by French investors. In the course of his remarks Sir George said:

Moreover, with respect to dividends, no coupon is accepted by our London offices unless accompanied by a declaration that it does not belong to an enemy shareholder. It may not be generally known that all Rand mining or financial shares belonging to German or other enemy subjects (whether in German or British names) are included in the declarations made to the Public Trustee in England; that no dividends accruing on such shares can be paid out during the War or until the decision of the British Government is made in regard to them, and that no proxies in respect of such shares are either given or used for any shareholders' meeting. . . . I may add that not a single proxy has been lodged or received by us—except from British shareholders—either in respect of bearer warrants or of inscribed shares. The Proclamations and arrangements made by the Imperial Government are such as to deprive the German or Austrian shareholder of any benefit whatever at the present time from his shares or other interests in the Rand gold-mining industry. He cannot receive any dividends, he cannot transfer his shares, nor can he convert them into bearer warrants with a view to disposing of them through neutral channels. For the time being, therefore, the alien enemy shareholder has ceased to have any influence or voice whatever in the affairs of the companies concerned.

It may be recalled that in June last, at the annual meeting, the President of the Chamber of Mines stated that enemy subjects hold only 7 per cent. of the total share capital of all Rand mines.

“Railway Year-Book for 1915.” Price 2s. 6d. (London: Railway Magazine, 30 Fetter Lane, E.C.)

“A Guide to Income-Tax Practice.” By A. Murray and R. N. Carter. Seventh edition. Price 16s. (London: Gee and Company.) This work gives a summary of the various enactments relating to income tax, instructions as to the preparation of returns for assessment, and accounts in support of appeals on the ground of over-assessment; also for claiming exemption and abatement. A digest of the principal legal decisions on the construction of the Acts is included.



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## American Topics.

### LEHIGH VALLEY RAILROAD.

THE advantage to the United States of possessing railroad corporations of great financial strength has not been as apparent for many years as during the year just closed. The period has been full of difficulties, the outbreak of war having accentuated the many disturbing factors previously existing. Indeed, for a short time conditions were such that it was somewhat difficult to determine how the past fiscal year would end in the case of many of the companies. Now the year has been completed, and in the vast majority of instances profits have been fully sufficient to enable dividends to be maintained. In one or two cases, it is true, dividends have had to be temporarily reduced or suspended owing to abnormal conditions, while as regards some few companies where in past periods of difficulty steps had not been taken to scale down the interest charges, and where, therefore, it has not been possible to issue Common stock to finance new capital requirements, a reorganisation of finances has become imperative. As regards the Lehigh Valley Railroad, the Company's strong financial position has been unimpaired, and no difficulty whatsoever has been experienced in maintaining the 10 per cent. dividend. It is to be hoped that one result of the Company's success in getting through such a trying period will be recognition of the desirability of promoting and encouraging undertakings to become as financially strong as it is possible to make them, that they may be enabled to perform their proper functions and to help to maintain the credit of the country in periods of difficulty.

The Lehigh Valley has now become the largest carrier of anthracite coal, and in the last 15 years has grown steadily stronger in common with the other important anthracite railroads. Twenty years ago, when the financial storm was still strong, there was but a small margin in excess of interest and other charges, but in the past year, in spite of the unusual conditions that prevailed, there was a margin of \$7,862,000 beyond interest charges. In other words, whereas in 1895 interest charges absorbed as much as 90 per cent. of the net income, in the past year the proportion of fixed charges to net income was only about 45 per cent., thus leaving about 55 per cent. as net profit. This profit was equal to a dividend of almost 13 per cent., and after paying the 10 per cent. dividend the surplus available for betterments was \$1,800,000. That so great a change has occurred in the fortunes of the Lehigh Valley arises principally from three causes—first, the practical prohibition by law of rate-cutting; secondly, the keeping down of interest charges through the expenditure of large sums out of earnings and profits upon various

capital purposes; and, thirdly, the increased skill with which the growing traffic has been handled.

Although the results of the past year are still below normal they compare favourably with those for 1913-14, when the profit earned was equal to 13.15 per cent., especially having regard to the fact that for that year \$685,000 was received as a special dividend from the Temple Iron Company. In the earlier months of the past year earnings showed large decline due to diminution in trade following upon the outbreak of war, but subsequently benefit began to be derived from the bumper crops of 1914 and from the fillip given to manufacturing industries in the territory served by reason of the immense amount of War orders now being executed. Despite the mildness of last winter, which affected the anthracite coal trade as a whole, the Lehigh Valley's share of the business was considerably increased, and for the past year the quantity of anthracite coal conveyed represented about 48 per cent. of the Company's total revenue tonnage. By reason of the preponderance of mineral traffic, upon which the Interstate Commerce Commission in their decision at the end of 1914 refused to allow additional charges to be made, the Lehigh Valley stands to gain but little from the rise in rates then conceded; nevertheless, some slight benefit has been derived, and further benefit will accrue in the current year as the increased rates came into force only in the later months of the past year. Passenger business has shown considerable diminution, owing mainly to the outbreak of war having practically stopped the flow of immigrants. On balance gross earnings for 1914-15 increased \$355,000, and inasmuch as operating expenses were \$141,000 lower the improvement in net earnings was \$496,000. By the non-recurrence of the special dividend from the Temple Iron Company and the absence of a credit item in respect of hire of equipment, miscellaneous income was \$1,022,000 less, but this was offset to the extent of \$630,000 by additional income from the Lehigh Valley Coal Company, and the net profit for the year was only a shade under that for 1913-14. The course of earnings and profits in recent years will be evident from the accompanying Income Statement.

The reduction of \$141,000 in operating expenses by no means reflects the increasing skill with which the traffic has been handled, for whereas many American railways have been compelled to curtail their outlays upon maintenance in the past year, a good deal of the saving of \$500,000 effected in the cost of conducting transportation by the Lehigh Valley has been neutralised by heavier outlays upon maintenance. The course of expenses during the past decade and the liberality of maintenance outlays will be evident from the appended statements:—

#### Operating Expenses of Lehigh Valley R.R.

Yr. to June 30	Gross Earnings.	Maint. of W. V. Equipment.	Cond. Trans- portation.	General Expenses.	Total Expenses.	
1915...	42,525,962	4,483,925	8,207,491	16,342,017	913,955	29,947,388
1914(a)	42,170,617	4,674,725	7,669,793	16,844,653	898,734	30,087,905
1914(b)	39,784,563	4,575,062	7,911,946	15,074,955	948,099	27,609,162
1913...	43,043,372	5,694,422	7,561,271	14,976,475	875,651	29,107,819
1912...	36,905,935	3,963,589	6,313,317	13,587,078	856,266	24,720,250
1911...	37,687,403	3,620,176	6,003,287	12,989,954	793,901	23,407,318
1910...	36,167,398	3,462,903	5,995,810	11,512,285	713,149	21,684,147
1909...	33,137,832	3,273,339	5,832,430	10,760,203	709,764	20,575,736
1908...	35,510,154	3,398,642	6,153,874	12,121,580	637,940	22,312,026
1907...	35,521,447	3,344,182	6,186,874	11,920,347	515,927	21,967,330
1906...	32,789,857	3,153,245	5,485,794	10,891,954	621,218	20,152,211
1905...	31,275,843	3,269,383	4,894,269	10,179,038	587,011	18,929,701

#### Ratio of Oper. Expenses to Gross Earnings of Lehigh Valley R.R.

	1915	1914(a)	1914(b)	1913	1912	1911	1910	1909	1908	1907	1906	1905
...	10.51	11.09	11.50	13.23	10.74	9.61	9.57	9.83	9.57	9.41	9.62	10.45
...	19.50	18.19	17.63	17.57	17.11	15.93	16.58	17.60	17.33	17.42	16.75	15.65
...	38.43	39.94	37.89	34.79	36.81	34.47	31.83	32.47	34.13	33.56	33.22	32.55
...	2.15	2.13	2.38	2.03	2.32	2.10	1.97	2.14	1.80	1.45	1.89	1.87
...	70.42	71.35	69.40	67.62	66.98	62.11	59.95	62.09	62.83	61.84	61.46	60.52

(a) New method. (b) Old method of accounting.

Income Statement of the Lehigh Valley Railroad.

Yr. to Av.	June	Month	Grass	Oper.	Net	Misc.	Net Income	Net	Taxes	Profit	Div. on Common	Balance
			Harvest.	Expenses	Harvest.	Income	L.V. Coal	Income				
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1915...	1,444		42,569,000	29,417,000	12,579,000	1,985,000	1,540,000	16,114,000	1,797,000	6,166,000	7,851,000	12.98
1914...	1,440		42,171,000	30,888,000	12,083,000	3,017,000	910,000	16,010,000	1,760,000	7,250,000	7,957,000	13.15
1913...	1,441		39,781,000	27,699,000	12,177,000	2,584,000	910,000	15,663,000	1,691,000	6,862,000	7,957,000	13.15
1912...	1,451		43,043,000	29,108,000	13,936,000	2,023,000	1,783,000	17,742,000	1,600,000	10,342,000	10,342,000	17.11
1911...	1,441		36,405,000	24,729,000	12,180,000	1,820,000	1,648,000	14,566,000	1,451,000	5,758,000	8,451,000	13.97
1910...	1,432		37,987,000	24,000,000	14,280,000	1,356,000	1,958,000	17,594,000	1,145,000	6,001,000	10,448,000	17.28
1909...	1,440		36,167,000	24,081,000	14,483,000	1,260,000	1,507,000	17,250,000	1,107,000	6,510,000	9,633,000	25.88
1908...	1,448		34,148,000	20,576,000	12,562,000	705,000	862,000	14,129,000	1,079,000	6,351,000	6,696,000	16.60
1907...	1,448		35,510,000	22,312,000	13,198,000	1,629,000	1,144,000	15,971,000	1,123,000	6,345,000	8,503,000	21.08
1906...	1,443		35,510,000	21,067,000	13,554,000	1,615,000	569,000	15,738,000	880,000	6,200,000	8,652,000	21.55
1905...	1,443		32,521,000	21,067,000	13,554,000	1,615,000	569,000	14,015,000	707,000	5,729,000	7,579,000	18.79
1904...	1,429		32,521,000	21,067,000	12,638,000	809,000	568,000	14,311,000	724,000	5,282,000	8,305,000	20.59
1903...	1,444		31,750,000	18,000,000	12,346,000	453,000	1,512,000	14,311,000	724,000	5,282,000	8,305,000	20.59
1895...	1,444		18,000,000	13,820,000	4,120,000	941,000	Na	5,712,000	Na	5,076,000	643,000	Na

Na, not available. \* Includes amount for 1914. + Includes 10% on Preferred Stock. - \$11,000 per annum. \$ Na, not available. (c) In 1912, spent 10% of 1911 income Feb. 26, 1912, out of accumulated surplus.

That a large part of the increased freight revenue of last year arose from the bigger crops of 1914 will be apparent from the subjoined statement, which shows that agricultural freight conveyed was unprecedented. Further, it will be noted, mineral traffic represents 63 per cent. of the total tonnage, but every effort is being made, as in the case of the Reading Company, to build up a more diversified traffic.

Description of Tonnage Conveyed, Lehigh Valley Railroad.

Year	Grain	Coal	Mineral	Manufact.	Misc.	Total
1915	3,106,000	569,000	19,245,000	845,000	3,933,000	25,710,000
1914	2,647,000	577,000	19,050,000	843,000	4,027,000	26,290,000
1913	3,062,000	724,000	20,670,000	945,000	4,385,000	29,286,000
1912	2,510,000	733,000	17,361,000	889,000	4,117,000	24,030,000
1911	2,488,000	762,000	17,880,000	852,000	4,228,000	23,020,000
1910	2,465,000	752,000	16,545,000	884,000	4,204,000	22,310,000
1909	2,557,000	812,000	15,038,000	845,000	3,409,000	21,970,000
1908	2,701,000	857,000	16,422,000	876,000	3,618,000	20,060,000
1907	2,638,000	941,000	16,318,000	969,000	4,209,000	23,377,000

Freight rates continue to be well maintained, the average rate for all freight in the past year at .661c. having been a shade higher than in 1913-14.

With regard to the outlook for this year it is somewhat difficult to form a definite opinion, especially as the Interstate Commerce Commission has just handed down a decision in the Anthracite Coal Rates Case adverse to the railroads. The Commission, after having had the matter under consideration since 1912, has declared as unreasonable the rates on prepared anthracite coal carried in carload lots from the Pennsylvania coalfields to seaboard and has fixed rates which they deem to be reasonable to come into force on October 1 next. These new rates are regarded by railroad men as confiscatory, and are estimated to represent a reduction of about 10 per cent. on the old rates. It is true the profits of the Lehigh Valley have been considerable in recent years and that handsome dividends have been forthcoming, but this has been due, not to high rates having been charged, but to the fact that capital expenditures have been kept at a very low level. The book value of the property on June 30 last was \$169,000,000, but according to a recent valuation its real asset value is about \$324,000,000, so that while the return upon the book value is relatively high, upon the asset value the return is by no means high for a railway undertaking. It is, however, understood that the anthracite roads are to appeal against the decision, and it is possible some modification of the reduction may be decided upon. Further, under the Panama Canal Act, the Commission has ordered the Lehigh Valley to discontinue as from December 1 next the operation of steamers upon the Great Lakes. These vessels have for years been operated in miscellaneous freight service and have linked up the Company's terminal at Buffalo with more Western points, such as Chicago. Some modification of this order, it is to be hoped, will be obtained whereby the Company will be permitted to continue to operate its fleet of steamers, which it regards as extensions of its railway system.

Among the more favourable factors affecting the

future are the great crops of this year, and the great value of those crops. Further, the manufacturing industries of the United States are at present very active, mainly as a result of immense orders for War materials. The Lehigh Valley is fortunate in having located on its lines several large steel plants, such as those of the Bethlehem and the Lackawanna Steel Companies, and should benefit considerably from the remarkable activity displayed by these undertakings, especially as only a relatively small portion of the War orders has yet been completed.

The prices of and yields afforded by the Company's principal securities are as follows:—

Yields Afforded by Principal Securities of Lehigh Valley RR

Security	Yield %
1st Mt. 10,000,000 July 1914	4 1 1
2d Mt. 10,000,000 July 1914	4 1 1
3d Mt. 10,000,000 July 1914	4 1 1
4th Mt. 10,000,000 July 1914	4 1 1
5th Mt. 10,000,000 July 1914	4 1 1
6th Mt. 10,000,000 July 1914	4 1 1
7th Mt. 10,000,000 July 1914	4 1 1
8th Mt. 10,000,000 July 1914	4 1 1
9th Mt. 10,000,000 July 1914	4 1 1
10th Mt. 10,000,000 July 1914	4 1 1
11th Mt. 10,000,000 July 1914	4 1 1
12th Mt. 10,000,000 July 1914	4 1 1
13th Mt. 10,000,000 July 1914	4 1 1
14th Mt. 10,000,000 July 1914	4 1 1
15th Mt. 10,000,000 July 1914	4 1 1
16th Mt. 10,000,000 July 1914	4 1 1
17th Mt. 10,000,000 July 1914	4 1 1
18th Mt. 10,000,000 July 1914	4 1 1
19th Mt. 10,000,000 July 1914	4 1 1
20th Mt. 10,000,000 July 1914	4 1 1
21st Mt. 10,000,000 July 1914	4 1 1
22nd Mt. 10,000,000 July 1914	4 1 1
23rd Mt. 10,000,000 July 1914	4 1 1
24th Mt. 10,000,000 July 1914	4 1 1
25th Mt. 10,000,000 July 1914	4 1 1
26th Mt. 10,000,000 July 1914	4 1 1
27th Mt. 10,000,000 July 1914	4 1 1
28th Mt. 10,000,000 July 1914	4 1 1
29th Mt. 10,000,000 July 1914	4 1 1
30th Mt. 10,000,000 July 1914	4 1 1
31st Mt. 10,000,000 July 1914	4 1 1
32nd Mt. 10,000,000 July 1914	4 1 1
33rd Mt. 10,000,000 July 1914	4 1 1
34th Mt. 10,000,000 July 1914	4 1 1
35th Mt. 10,000,000 July 1914	4 1 1
36th Mt. 10,000,000 July 1914	4 1 1
37th Mt. 10,000,000 July 1914	4 1 1
38th Mt. 10,000,000 July 1914	4 1 1
39th Mt. 10,000,000 July 1914	4 1 1
40th Mt. 10,000,000 July 1914	4 1 1
41st Mt. 10,000,000 July 1914	4 1 1
42nd Mt. 10,000,000 July 1914	4 1 1
43rd Mt. 10,000,000 July 1914	4 1 1
44th Mt. 10,000,000 July 1914	4 1 1
45th Mt. 10,000,000 July 1914	4 1 1
46th Mt. 10,000,000 July 1914	4 1 1
47th Mt. 10,000,000 July 1914	4 1 1
48th Mt. 10,000,000 July 1914	4 1 1
49th Mt. 10,000,000 July 1914	4 1 1
50th Mt. 10,000,000 July 1914	4 1 1
51st Mt. 10,000,000 July 1914	4 1 1
52nd Mt. 10,000,000 July 1914	4 1 1
53rd Mt. 10,000,000 July 1914	4 1 1
54th Mt. 10,000,000 July 1914	4 1 1
55th Mt. 10,000,000 July 1914	4 1 1
56th Mt. 10,000,000 July 1914	4 1 1
57th Mt. 10,000,000 July 1914	4 1 1
58th Mt. 10,000,000 July 1914	4 1 1
59th Mt. 10,000,000 July 1914	4 1 1
60th Mt. 10,000,000 July 1914	4 1 1
61st Mt. 10,000,000 July 1914	4 1 1
62nd Mt. 10,000,000 July 1914	4 1 1
63rd Mt. 10,000,000 July 1914	4 1 1
64th Mt. 10,000,000 July 1914	4 1 1
65th Mt. 10,000,000 July 1914	4 1 1
66th Mt. 10,000,000 July 1914	4 1 1
67th Mt. 10,000,000 July 1914	4 1 1
68th Mt. 10,000,000 July 1914	4 1 1
69th Mt. 10,000,000 July 1914	4 1 1
70th Mt. 10,000,000 July 1914	4 1 1
71st Mt. 10,000,000 July 1914	4 1 1
72nd Mt. 10,000,000 July 1914	4 1 1
73rd Mt. 10,000,000 July 1914	4 1 1
74th Mt. 10,000,000 July 1914	4 1 1
75th Mt. 10,000,000 July 1914	4 1 1
76th Mt. 10,000,000 July 1914	4 1 1
77th Mt. 10,000,000 July 1914	4 1 1
78th Mt. 10,000,000 July 1914	4 1 1
79th Mt. 10,000,000 July 1914	4 1 1
80th Mt. 10,000,000 July 1914	4 1 1
81st Mt. 10,000,000 July 1914	4 1 1
82nd Mt. 10,000,000 July 1914	4 1 1
83rd Mt. 10,000,000 July 1914	4 1 1
84th Mt. 10,000,000 July 1914	4 1 1
85th Mt. 10,000,000 July 1914	4 1 1
86th Mt. 10,000,000 July 1914	4 1 1
87th Mt. 10,000,000 July 1914	4 1 1
88th Mt. 10,000,000 July 1914	4 1 1
89th Mt. 10,000,000 July 1914	4 1 1
90th Mt. 10,000,000 July 1914	4 1 1
91st Mt. 10,000,000 July 1914	4 1 1
92nd Mt. 10,000,000 July 1914	4 1 1
93rd Mt. 10,000,000 July 1914	4 1 1
94th Mt. 10,000,000 July 1914	4 1 1
95th Mt. 10,000,000 July 1914	4 1 1
96th Mt. 10,000,000 July 1914	4 1 1
97th Mt. 10,000,000 July 1914	4 1 1
98th Mt. 10,000,000 July 1914	4 1 1
99th Mt. 10,000,000 July 1914	4 1 1
100th Mt. 10,000,000 July 1914	4 1 1

MISSOURI PACIFIC RAILWAY.

THE announcement has been made this week that a receiver has been appointed for the Missouri Pacific and Iron Mountain Railways. It will be remembered that recently a plan of readjustment was issued, under which the bond and stock holders were asked to assist voluntarily in a much-needed readjustment of the finances of the joint undertaking, certain classes of bondholders being asked to exchange their existing holdings into new securities, and the stockholders being requested to submit to an assessment of \$50 a share, in return for which they would be given 4% General Mortgage bonds. The time allowed for the deposit of bonds and the acceptance of the terms of the plan expired on Monday last, and inasmuch as the response to the appeal to bond and stock holders was exceedingly poor, and funds were insufficient to meet interest payments both overdue and payable in the early future, recourse has had to be made to the Courts. The sole receiver appointed is Mr. F. B. Bush, who for several years has been President of the two Companies, so that continuity of management will be secured. The readjustment managers recognised they were undertaking a big task in putting forward what was the largest voluntary reorganisation ever attempted in the States, but it has to be borne in mind by those bond and stock holders who have not assented to the plan that the scheme was drawn up only after the most careful consideration of all the interests involved, and that nothing is to be gained if the plan does not go

through. The fact that a receiver has had to be appointed only emphasises the important need for the prompt co-operation of security-holders in carrying through the scheme recently announced. It is to be hoped the period of receivership will be of short duration, and that delay and expense incident to receivership and foreclosure will be reduced to a minimum by the deposit without delay of securities with the various depositaries. By this means the system could be restored to its owners with its credit re-established and with funds provided for future requirements. With this end in view the time within which deposits of securities may be made has been extended up to and including October 15.

### ENTRE RIOS RAILWAYS.

THE adverse effect upon Argentine railway earnings of the world-wide financial stringency of the last two or three years has been accentuated in the case of the Entre Rios Railways by a series of bad seasons in the districts served by the Company, both Entre Rios and Corrientes having suffered for several years from heavy floods, poor crops, and inactive trade. The outbreak of war found the Company already somewhat weakened by these adversities, and the untoward events of the past twelve months have naturally had the effect of seriously curtailing the revenue and profit earning power of the line. Two years ago the gross receipts amounted to £611,000, and in 1913-14 they were still as large as £610,000; but in the past twelve months they reached only about £454,000, a decrease compared with 1913-14 of £156,000, or over 25 per cent. According to the weekly statements, the total earnings for the year amounted to only £448,800, but they will probably be nearer the larger figure, as allowance has to be made for the usual under-estimation in the preliminary returns. However, a falling-off of something like 25 per cent. in traffic receipts in a single year is undoubtedly a serious matter, and indicates that little, if any, profit will be available for dividends on the Preference and Ordinary capital. Twelve months ago, it will be recollected, the Company earned a surplus in excess of charges of over £135,000—a sum equal to the full dividends on the First and Second Preference stocks, with a credit balance of £5,600. It is probable, of course, that the Company has been able to minimise the effect upon profits of the past year's decline in earnings by curtailing expenditure wherever possible; but the savings are not likely to have been large, for, as the directors pointed out in their half-yearly statement, the continuous bad weather has rendered it impossible to reduce maintenance outlays without prejudice to the property. These, however, form but a relatively small proportion of the total working charges, and, in view of the lighter traffic handled and consequent curtailment of train mileage, some reduction in running and traffic expenses may have been possible. We cannot, however, look for a saving of more than £52,000 in the total expenditure, such a sum representing a decrease of 20 per cent. in working charges other than maintenance. As this is equal to only one-third the falling-off in receipts, the remaining two-thirds, or £104,000, will go to denude the net earnings, which at £174,000 will compare with £277,000 twelve months ago. Miscellaneous income, moreover, will be smaller, owing to the fact that in 1913-14 a special transfer of £3,500 was made from income-tax reserve, which will not recur, and as interest charges are likely to call for an extra £15,000, owing to the issue of a further amount of 5% Debenture stock, the net profit may show a decrease of

something like £122,000. This would reduce the divisible surplus from £135,000 to £13,000 only, a sum equal to less than  $\frac{3}{4}$  per cent. of dividend on the First Preference stock; so that, even should this surplus be considerably greater than estimated, no distribution is likely to be made, having regard to the abnormal conditions now obtaining in the districts served by the line. To show the possible outcome of the year on the basis outlined, and the heavy loss sustained in 1914-15, we give herewith the income statement of the Company for the last four years:—

<i>Entre Rios Railway.</i>				
	1914-15*	1913-14	1912-13	1911-12
	£	£	£	£
Gross earnings ... ..	454,000	609,850	611,145	472,101
Expenses ... ..	280,000	332,414	345,846	291,923
Ratio ... ..	(61.67)	(54.51)	(56.59)	(61.83)
Net earnings ... ..	174,000	277,436	265,299	180,178
Miscellaneous ... ..	3,000	6,489	71,392†	24,459
Net income ... ..	177,000	283,925	336,691	204,637
4% Deb. stock ... ..	60,000	60,200	59,636	52,200
5% Debentures ... ..	35,000	35,000	35,000	35,000
5% Cons. Deb. stock ... ..	65,000	49,643	9,788	—
Miscellaneous ... ..	4,000	4,072	12,896	2,082
Total charges ... ..	164,000	148,915	117,320	89,282
Net profit ... ..	13,000	135,010	219,371	115,355
Div. on 5% 1st Pref. stock & shares	Nil	50,000	100,000	90,383
Rate per cent. ... ..	—	(24%)	(5%)	(5%)
Balance for 2nd Pref. ... ..	—	85,010	119,371	24,972
Div. on 4% 2nd Pref. stock ... ..	Nil	14,681	29,362	29,362
Rate per cent. ... ..	—	(2%)	(4%)	(4%)
Balance for Ordinary ... ..	—	Cr. 70,329	Cr. 90,009	Dr. 4,390
Ordinary dividend ... ..	Nil	Nil	Nil	—
Balance ... ..	13,000	Cr. 70,329	Cr. 90,009	Dr. 4,390
Reserve and renewals, &c. ... ..	13,000	58,585	90,009	5,780
Balance ... ..	—	Cr. 11,744	—	Dr. 10,170
Brought forward ... ..	12,000	—	—	10,170
Carried forward ... ..	12,000	11,744	—	—

\* Estimated.

† Includes £67,669 received from Argentine Railway Company in respect of guarantee under working agreement, of which £43,894 would have been payable out of future surplus revenue.

The past twelve months must, of course, be regarded as quite an exceptional period, and now that the outlook for Argentina is so much brighter, both financially and economically, a change for the better in the Company's affairs may set in at any moment. When it does the prosperity of the undertaking may show noteworthy expansion. In the last few years the Company has devoted a large amount of money, time, and attention in improving and extending its sphere of operations, and whereas a few years ago the line may be said to have commenced and ended nowhere, now it forms an important link in an important chain of railways extending from Asuncion, the capital of Paraguay, to Buenos Ayres, the capital of Argentina. The extension to Buenos Ayres was only completed and opened to traffic in June 1908, and although the conditions prevailing in the interval have not been conducive to a great expansion in railway earnings and profits, the progress made prior to the outbreak of war was certainly remarkable. With an increase from 563 to 742 miles in the length of line operated between 1908 and 1914, the gross earnings advanced from £300,000 to £610,000, and the net earnings from £134,000 to £277,000. Thus a growth of 33 per cent. in mileage was attended by an expansion of over 100 per cent. in both the gross and net earnings, notwithstanding the many disadvantages under which the Company laboured. The construction of new mileage naturally entailed a considerable expenditure of capital, and the growth of profits has been small in comparison with the expansion in earnings. Nevertheless, the fact that in 1913-14 the Company earned a profit more than equal to the full dividends on its First and Second Preference stocks, after meeting greatly increased capital charges, can only be regarded as satisfactory, especially having regard to the adverse conditions prevailing. An examination of the accompanying table, in which is set out the main results of working for a decade, affords a clear indication of the progress

which the Company was making prior to the outbreak

Year ended June	Miles Open	Gross Traffic		Ratio %	Net Earnings	Net Profit
		Tons	£		£	£
1914...	742	610,000	332,000	54.51	277,000	135,000
1913...	730	611,000	346,000	56.69	265,000	152,000
1912...	688	472,000	292,000	61.83	180,000	115,000
1911...	688	478,000	254,000	53.11	224,000	175,000
1910...	655	406,000	226,000	55.79	179,000	114,000
1909...	656	360,000	220,000	60.95	146,000	107,000
1908...	666	300,000	166,000	55.35	134,000	126,000
1907...	595	264,000	140,000	52.84	124,000	128,000
1906...	472	199,000	119,000	59.85	80,000	81,000
1905...	472	180,000	106,000	58.17	83,000	85,000
1904...	472	151,000	—	69.18	46,000	48,000

Satisfactory as the progress has been in the past, it will be appreciated that the development of the system has not yet been anything like fully exploited. Indeed, owing to the untoward happenings of the last few years, much of the new mileage recently constructed is at present quite unproductive, and the large amount of capital sunk in the enterprise is, consequently, producing little or no revenue to the Company. All this may be changed in the course of the next few years, for, with Argentina now experiencing an unprecedented demand for its produce (which is fortunately abundant) at the exceedingly high prices now current, a great wave of prosperity is likely to spread throughout the length and breadth of the land, not excluding the more backward provinces of Entre Rios and Corrientes. Here the seed has been sown in the shape of railway construction for a big development of productivity, and as the country is extremely fertile, and capable of producing meat and other food-stuffs in large quantities, a powerful stimulus is being given to farmers and others to place every acre of land under cultivation, in order to obtain the rich reward awaiting them as a result of the European situation. Geographically the line is well situated, for, whilst the railway itself is relatively small, and caters for a limited area, the fact that it forms the terminating link in a chain of railways extending from Asuncion to Buenos Ayres is a matter of considerable importance, as it means that all through traffic to and from one extremity to the other has to pass over the Entre Rios Railways from end to end. Consequently it carries a variety of produce, and in respect of through traffic obtains very remunerative rates. Besides wheat, maize, linseed, and other agricultural products, the Company carries fairly large quantities of charcoal, firewood, timber, wool, and general goods, and secures an important income from passenger and live-stock traffic. Whilst, of course, the size of the crops is of paramount importance to the Company, the prosperity of the community as a whole has a very beneficial influence, and with the outlook in this respect exceedingly hopeful the prospect of a recovery in earnings in the not distant future could not be brighter. To show the nature of the traffic and the variety of commodities transported over the system we give herewith a summary of the freight traffic for a number of years:—

Freight Traffic, Entre Rios Railways.					
		1912-13	1911-12	1910-11	1909-10
		Tons	Tons	Tons	Tons
Wheat	...	59,881	105,139	115,293	80,299
Maize	...	11,350	16,562	6,350	12,255
Linseed	...	145,651	165,411	90,692	47,325
Charcoal	...	—	—	37,327	30,147
Firewood	...	—	—	27,207	27,969
Timber	...	31,154	39,258	35,155	26,870
Hay	...	9,940	6,011	3,636	13,780
Wool and hair	...	—	5,129	6,944	7,694
Hides	...	6,712	9,662	12,161	18,286
Bricks, lime, sand	...	—	26,071	18,070	18,426
General goods	...	104,815	92,051	89,913	125,522
Subsidies	...	202,707	228,384	139,297	101,004
Total goods	...	666,086	755,115	582,075	515,927
Live-stock	...	No.	No.	No.	No.
Cattle	...	181,497	186,519	154,053	158,000
Sheep	...	270,329	369,251	346,152	298,102
Other animals	...	18,702	12,724	10,768	11,926
Total animals	...	470,528	568,494	510,973	468,111

The Company is fully prepared for a big growth of business, and a very much larger traffic can be

transported over the system at practically no additional expense, either of capital or of revenue. Not only has the line been extended to promising districts, but the road and equipment generally have been vastly improved, so that the fullest advantage can now be taken of any increase in traffic to work with greater efficiency and economy. All this implies a rapid recovery in earnings and profits in the next few years, and we venture to predict that within a relatively short time not only will the Preference stockholders be in receipt of their full dividends, but substantial distributions will likewise be forthcoming on the Ordinary capital.

The drop in prices has been relatively heavy, and the Company's securities are now at quotations which make them distinctly attractive purchases. The 4% Debenture stock was recently dealt in at 76½, and at that figure the yield is £5 6s. 8d. per cent. The 5% Debentures, which rank next, are quoted at about 82½, and yield the investor as much as £6 3s. 5d. per cent., whilst the 5% Consolidated Debenture stock at about 79 affords a return of nearly £6½ per cent. The combination of unfavourable factors operating against the Company last year are not likely to be repeated, and, inasmuch as interest charges, even in a period of such adversity, have apparently been fully covered, an advance in quotations may be confidently anticipated as the conditions improve. The 5% First Preference stock has fallen to about 55, the 4% Second Preference to 22, and the Ordinary to about 20½. A recovery from this low level of values should be experienced as soon as a turn in the tide of traffic decreases becomes apparent. The capital of the Company is as follows:—

Security	Amount £	Int. %	Price	Yield £ s. d.
4% Debenture stock	1,505,000	4	76½	5 6 8
5% Debentures	700,000	5	82½	6 3 5
5% Consolidated Deb. stock	1,300,000	5	79	6 9 10
5% 1st Preference stock	2,000,000	—	55	—
4% 2nd Preference stock	750,000	—	22	—
Ordinary stock	1,783,140	—	20½	—
Total	8,025,180			

## FURNESS RAILWAY.

THE Furness Railway Company announces a dividend at the rate of 2 per cent. per annum for the past six months, as against nil a year ago, when its earnings and profits were adversely affected by the slackness of the iron and steel trades. It is consequently greatly benefiting under the Government agreement, and for the half-year its gross earnings show an increase of £62,000, and its net earnings an improvement of £40,000, or over 40 per cent. Curiously, the total of the net earnings is officially recorded as amounting to £138,000, or some £6,000 larger than two years ago, although, according to the agreement with the Government, the sum to be received in respect of the current year is to be based on the net amount earned in 1913. Out of this the Company has to pay 25 per cent. of the War bonus and any increase in capital charges; and although these two items may not be large, they will certainly have the effect of somewhat reducing profits. Two years ago the surplus available for dividend amounted to £65,595, a sum not quite sufficient to pay 2½ per cent. on the stock. This year the profit may reach, approximately, £62,000, and a dividend of 2½ per cent. may be distributed. For the past twelve months the dividend is 2 per cent., and with the price of the stock at about 28½, a yield of £7 6s. 1d. per cent. is forthcoming. Were 2½ per cent. paid for the year, the return to the investor would be as much as £8 4s. 6d. per cent. The dividends paid in recent years have been as follows:—

Furness.											
	1914-15	'13-14	'12-13	'11-12	'10-11	'09-10	'08-9	'07-8	'06-7	'05-6	'04-5
Dec. half...	2	3	3	2	2½	1½	1	3	3½	3	1
June half...	2	Nil	2	Nil	2	1½	Nil	1	3	2½	2
Year ...	2	1½	2½	1	1½	1½	1	1½	3½	2½	1½

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## Insurance Notes.

ATLAS ASSURANCE COMPANY, LIMITED.

ANNUAL REPORT AND QUINQUENNIAL LIFE  
VALUATION.

ON general grounds the quinquennial valuation of the life department of the Atlas Assurance Company may be considered the most important feature of its report and accounts for last year, especially considering the abnormal circumstances, which have added to the complexity of the actuarial problem, and the methods adopted by the directors in dealing with an unusual situation. Although, therefore, the life premium income of the Company is only about one-fifth of that of its other departments, and the life profits accruing to shareholders are so small as scarcely to affect their rate of dividend, the first place may fittingly be assigned on this occasion to the life section in a review of the year's operations.

The new life business of the Company amounted in 1914 to £644,783 in sums assured, of which £46,200 was reassured, the net retention being thus £598,583. Contrary to the usual experience of last year by British life offices, this exceeds the net new business of the previous year, which amounted to £487,993. One reason for the increase in the Atlas new life business probably is that in the early months of the War the Company, with great public spirit, offered more favourable terms than were readily elsewhere obtainable, under a special table, for the assurance of those engaged in military or naval operations. A considerable amount of business was transacted in this way, but it is clear that a limitation had to be set to assurances of this class in a particular office, and when the directors thought it right to do so, in the interests of their policyholders and shareholders, they withdrew the table referred to. The total net life premium income of the Company, amounting in 1914 to £212,942, showed an increase of £13,754, apart from a sum of £21,117 received as consideration for new annuities granted. Expenses, inclusive of commission, absorbed about 12.6 per cent. of the premiums. Instead of a share of quinquennial profits to shareholders it is customary in this Company to allocate a small amount of profit from the life account to the proprietors in each year. In 1914 the amount so transferred to the profit and loss account was £6,085, which represents less than 3 per cent. of the life premium income. It will be seen that in this respect the Atlas participating life policyholders are

treated with exceptional liberality. Claims by death, amounting to £135,915, are reported as well within expectation. The provision for depreciation in the life revenue account of 1914 amounted to £147,583, and the life assurance fund stood thereafter at the close of the year at £2,219,946, apart from life investment reserve fund of £60,000 hereafter referred to.

A novel feature in the quinquennial life valuation is an alteration in the rate of interest assumed. The Company was amongst the first life offices, about 25 years ago, to reduce its valuation rate to 2½ per cent., and now it is the first of these companies to increase it to 3 per cent. Under the greatly altered circumstances affecting the earning power of money, there is no reason why such a step should not have been taken, if it seemed good in the reasoned judgment of the directors; indeed, credit should be given to them and also to their Actuary, assuming that his recommendations were to this effect, for having the courage to adjust their valuation methods to new conditions. The net interest yield on the life funds, after deduction of income tax, seems to have slightly exceeded 4 per cent., and should this rate be continued during the now current quinquennium the profits from interest on the funds will be at least 1 per cent. per annum, which exceeds 10 per cent. of the present premium income, so that the valuation assumption gives fair scope for their accretion. On the other hand, the mortality table employed for the estimate of liabilities under assurance contracts is the  $O^M(5)$ , which requires larger reserves than the combination of  $O^M$  and  $O^M(5)$  employed five years ago. Net premiums only have been valued, and a further reserve has been set aside to meet future expenses and to provide future profits under whole-of-life limited payment policies.

The total surplus for the quinquennium, including £1,148 brought forward from the last valuation, is £297,821, which is reported to have been applied as follows:—

	£
In writing down securities to values at Dec. 31, 1913	93,503
In forming an investment reserve fund, as above referred to, to meet further estimated depreciation to Dec. 31, 1914	60,000
Paid during the quinquennium as interim bonuses and bonuses in reduction of premiums	37,277
For distribution amongst policyholders of a reversionary bonus of 20s. per cent. per annum upon sums assured and existing bonuses on policies entitled to share	106,797
Carried forward	244
	297,821

The compound bonus of 20s. per cent. per annum compares with 28s. per cent. per annum declared five years ago. The reduction is evidently due to the depreciation of investments, and may, perhaps, therefore be only temporary in character. At all events, the valuation assumptions show a satisfactory bonus-earning capacity under normal conditions.

Turning to the figures of the commercial departments of the Company's business, we find that the profits therefrom, though considerably less than in 1913, were more than sufficient for the maintenance of the dividend of 8s. per share, less tax, which is again declared.

The net fire premium income in 1914, reduced by £84,342, amounted to £1,039,954. After adjustment of the reserve for unexpired risks, the underwriting profit from this department amounts to £87,354, or to about 8.4 per cent. of the premium income, apart from departmental interest earnings of £41,151. After transfer of these sums to profit and loss account, the fire fund at the close of the year stood at £1,219,064, representing about 117 per cent. of the premium income, or nearly three times the amount reserved for the running off of unexpired contracts.

The employers' liability, accident, and general account shows a premium income of £55,791, an underwriting profit of £10,724, and net interest earnings of £1,527. The profit on trading represents

After transfer of these profits to profit and loss account, the relative fund amounts to £46,400, or to about 83 per cent. of the premiums, apart from £11,551 reserved as the estimated liability in respect of outstanding claims.

The sinking fund and capital redemption account shows a premium income of £16,559. The sum of £2,926 is transferred to profit and loss account, and the relative departmental fund on December 31, 1914, thereafter amounted to £113,387.

Interest, dividends, rents, and fees credited to the profit and loss account amounted, less tax, to £14,015, from which falls to be deducted £12,019, representing income tax on profits and interest paid on Debenture stock.

The profits taken into the year's account are therefore as follows:—

Department	Trading Profits	Net Interest Earnings
Life ... ..	£ 6,085	—
Fire ... ..	87,354	41,151
Employers' liability, &c. ... ..	10,724	1,527
Sinking fund, &c. ... ..	2,926	—
Profit and loss account ... ..	—	1,996
	107,089	44,674
	£151,763	

This profit has been thus apportioned:—

	£
In dividends, less tax... ..	81,216
In transfer to shareholder's investment reserve fund to meet estimated depreciation in their securities in 1914 ... ..	25,000
To balance carried forward ... ..	45,547
	151,763

The Company's total assets on December 31, 1914, according to the balance sheet amounted to £1,474,372.

The share capital amounts to £2,200,000, of which £264,000 is paid up, in 220,000 shares of £10, with £1 4s. paid on each. Debenture stock was issued bearing 4 per cent. interest on the absorption of the Essex and Suffolk Equitable Insurance Society in 1911, of which £98,922 was in force at the close of last year.

## ARTHUR GUINNESS, SON AND CO.

The brewing industry as a whole is very sensitive to ordinary trade conditions, and the consumption of alcoholic liquors varies with the ebb and flow of trade expansion and contraction. Probably Arthur Guinness and Company is less severely affected by such fluctuations than any other brewery company, and the reasons, of course, are not far to seek, for the Company stands on an altogether different basis from other concerns. First of all, it confines its manufactures to one article alone—namely, stout. Moreover, it has built up a world-wide reputation for its output, so that in all probability the foreign trade is at least as important as the home trade. It will thus be evident that it is not affected to so great a degree as other brewery companies by ordinary trade fluctuations at home, and in spite of adverse features in the export trade in the way of increased freights, &c., the total results for the year to June 30, 1915, are substantially higher than any hitherto reported by the Company, the increase being more than sufficient to counterbalance the increased beer duty imposed in November last. In one direction it has experienced benefit—namely, in the prices of materials. Had it not been for increased Excise charges the results for the past year would, indeed, have been exceptionally prosperous. It may be added that the Company was formed in 1886, and that for a period of 20 years its share and loan capital remained unchanged. In 1907 and 1908 the loan capital was reduced, and in the latter year it was decided to make a bonus distribu-

tion to the Ordinary stockholders of 100 per cent. on their holdings, thereby duplicating the Ordinary capital and taking the necessary sum from the reserve fund. Substantial further reductions in the Debenture stock took place, and finally, in 1913, the whole was cancelled, and the share capital now stands at £7,000,000.

Arthur Guinness, Son and Company, Limited, owns the largest brewery in the world, and the Company is one of the most successful joint-stock concerns in existence. The first accounts issued covered the nine months to June 30, 1887, and these showed a net trading profit of £515,000, which enabled a dividend of 14 per cent. to be paid, after placing £200,000 to reserve and writing off £20,000 for depreciation. It is to be noted that the dividend paid by the Company has been steadily increased throughout its career, and on no occasion has a reduction been made. The first payment of 14 per cent. was followed by seven payments of 15 per cent. per annum. Then ensued two payments of 16 per cent. per annum, one of 18 per cent., three of 19 per cent., and five of 20 per cent. per annum. For the year to June 30, 1906, the rate was 22 per cent.; for the following year 25 per cent., and for the twelve months to June 30, 1908, 27 per cent. Then ensued duplication of the Ordinary capital. For the year to June 30, 1909, the dividend was at the rate of 14 per cent. per annum, which is consequently equivalent to 28 per cent. on the former capital. For the following year the dividend was raised to 15½ per cent., or to the equivalent of 31 per cent. on the old capital. For the year to June 30, 1911, raising the rate to 16½ per cent., a figure equivalent to 33 per cent. on the old capital. For each of the following two years the rate was maintained at 16½ per cent., while for each of the past two years the distribution has been 14 per cent. The progress made is thus evident, and it will be gathered that throughout its career its prosperity has been steady, and maintained to such an extent that the dividend is now in reality more than double that which was paid during the earlier years of the Company's existence. The amount of the Excise duty paid may also be taken as an indication of the progress made, though in this case the figures are not absolutely comparable, inasmuch as the amount of the duty has varied from time to time. For the first nine months of the Company's career the amount of Excise duty paid was £329,443; for 1891, for the first time, the duty exceeded £500,000; in ten years from that date it exceeded £750,000, while for the twelve months to June 30, 1907, the amount exceeded £1,000,000.

For the twelve months to June 1914 the duty amounted to £1,432,560, but, as already noted, in November last heavy additions were made to it, and the amount paid for the twelve months to June 30, 1915, has reached the exceptional total of £2,639,462, a sum which is in excess of the gross trading profit made by the Company for each year since its formation up to 1914.

The profit on brewing for the past twelve months has amounted to £4,179,021, as compared with £2,750,325 twelve months ago, an increase of over £1,400,000. The net trading profit has amounted to £1,460,449, as compared with £1,238,249. Though twelve months ago a higher profit was reported as compared with the previous year, the directors state that they deemed it wiser in the interests of the Company to conserve liquid assets, and, consequently, it was decided not to pay the usual bonus of 2½ per cent., the distribution consequently amounting to 14 per cent. A sum of £200,000 was placed to reserve, as against £100,000, while this year the allocation to reserve is £300,000. In pursuance of the conservative policy noted for last year the directors now fix the dividend at 10 per cent., as against 14 per cent., but they also pay a bonus of 4 per cent., so that the total distribution is maintained unchanged, the alteration in nomenclature rather hint-



to gain will be commensurate with the Company's probable future success.

In view of the general dislocation of trade occasioned by the War, it is not surprising to find that the profits for the year to June 30, 1915, are smaller than those for the previous year, and, indeed, in all probability shareholders will be greatly surprised to find that the shrinkage is so small, the reduction being only £17,000, the profits amounting to £384,400, as compared with £401,722 for the twelve months to June 30, 1914. But in comparing the results achieved by the Company it should be remembered that the figures reported do not necessarily tally with the actual profits made, for, as is well known, the Company, in common with other Birmingham industrial concerns, has authorised the directors to build up and maintain an internal reserve fund, and it is manifestly impossible to judge as to the manner in which profits are drawn upon before being publicly announced. It may be that very substantial sums are set aside. On the other hand, it is possible during a time of depression that the reserve fund may be drawn upon to make up profits to an average figure. A further course that may be taken is that no allocation is made from the profits nor is anything taken from the reserve to maintain profits. In the circumstances, therefore, the figures as announced do not necessarily represent the actual fluctuations that occur from year to year; and, indeed, from a mere cursory reference to the figures shown in the accounts of Guest, Keen and Nettlefolds it is evident that some adjustment has been made in the figures year by year. Having regard to the large fluctuations that have taken place in the iron and coal and steel industries during the past few years alone, it would have been almost miraculous for a company to have maintained its profits at such a level as is shown by a minimum of £350,000 and a maximum of £470,000. As an example of the manner in which the profits have fluctuated, Bolckow, Vaughan and Company made a profit of over £600,000 for the year to June 30, 1907, while for the following year it fell to £240,000. The corresponding figures of Guest, Keen, are £470,000 and £455,000 respectively.

It may be recalled that in its present form the Company dates back to 1902, the business itself going as far back as 1853. In its present form it consists of several amalgamations, and includes such businesses as those of the Patent Nut and Bolt Company, the Dowlais Iron Company, Guest and Company, and Messrs. Crawshaw Brothers; while in 1902 an amalgamation was brought about whereby the important business of Nettlefolds, Limited, was added to the Company, the concern then becoming known under its present title. By means of these various amalgamations the Company has command of its raw materials, and is consequently to a large extent, if not entirely, independent of outside sources of supply.

The result of taking over Nettlefolds' business was that the capital of Guest, Keen and Company was increased to the authorised amount of £4,850,500, of which there has been issued £4,535,500.

Up to 1907 the distribution on the Ordinary shares was maintained steadily at 10 per cent. per annum, but the exceptionally prosperous time experienced during that year justified an increased distribution to 15 per cent. In making the increase shareholders were warned not to expect that the larger distribution had necessarily come to stay. So far, however, the warning has been unnecessary, inasmuch as even for the past twelve months, with profits some £70,000 less than they were for the twelve months to June 1913, it has been possible to maintain the 15 per cent. distribution. Moreover, after payment of this rate there is a balance remaining of £86,878, which is added to the carry-forward, bringing it up to £357,318, which is sufficient to provide for a dividend of 37 per cent. on the Ordinary capital.

We show below the distribution of the profit made for each of the past six years:—

Year to June 30—1915	1914	1913	1912	1911	1910	
£	£	£	£	£	£	
Net profits ... ..	384,400	431,722	453,093	395,586	383,009	348,093
Deb. interest (4 %) ...	68,772	69,548	69,702	69,702	69,702	69,702
	315,628	362,174	383,391	325,884	313,307	278,391
Pref. dividend (5 %) ...	86,878	86,878	86,000	86,000	86,000	86,000
	231,628	246,174	297,391	239,884	227,307	192,391
Ord. dividend (15%) ...	144,750	144,750	144,750	144,750	144,750	144,750
	86,878	101,424	152,641	95,134	82,557	47,641
To reserve ... ..	70,000	70,000	120,000	70,000	70,000	70,000
	86,878	31,424	32,641	25,134	12,557	—22,359
Brought forward ...	270,440	239,016	206,375	181,241	168,685	191,044
Carried forward ...	357,318	270,440	239,016	206,375	181,242	168,685

The Company has built up a very strong position, and has accumulated a reserve fund of £1,450,000, while there is also an accident and fire insurance fund amounting to £220,000. The reserve fund is invested outside the business, the total investments standing in the books at £2,713,196 on a total assets valued at £7,088,061. Assuming that the investments bring in an average return of 4 per cent., they would contribute about £110,000 towards the shown profits of last year. With the exception of shares held in the Orconera Company and Crawshaw Brothers, Limited, it is understood that the balance consists of Consols, Irish Land Stock, and other similar gilt-edged securities. Twelve months ago the investments were valued at £2,677,045. The largest item of the assets is that standing for land, buildings, collieries, and blast-furnaces, &c., amounting to £2,821,200. The cash and bills at June 30 last amounted to £349,266. No information is afforded of the amounts written off for depreciation, but as the Company has always been noted for carrying out an exceptionally cautious and conservative financial policy it is certain that the allowance for depreciation has been on a very substantial scale. The position as shown by the balance sheet at June 30 last was as follows:—

LIABILITIES.	£	ASSETS.	£
Issued capital ...	2,685,000	Property ...	2,821,200
Debenture stock ...	1,850,500	Stock ...	708,199
Reserve fund ...	1,450,000	Sundry debtors ...	465,900
Accident and fire insurance fund ...	220,000	Investments ..	2,743,496
Sundry creditors ...	385,742	Cash and bills ...	349,266
Profit and loss ...	496,819		
	7,088,061		7,088,061

The extent to which the Company has suffered from the War may be gauged partially by the statement that nearly 4,000 of the employees have joined the Forces since the commencement of the War. Substantial allowances have been made to the wives and children, and under special circumstances to other dependents. Though the outlook remains somewhat obscure and is distinctly unsettled, inasmuch as so strong a position has been built up the Company is able to regard the future with considerable equanimity, and on the whole it does not seem likely that any reduction in the dividend will be necessary. The amount carried forward to the current year is only £30,000 less than the profits shown for the twelve months to June 30 last. It will be seen that a very considerable reduction in profits could occur without imperilling the 15 per cent. distribution, and, consequently, it seems quite unlikely that any reduction will be called for unless the directors should consider it necessary as a matter of financial prudence to pay a smaller dividend, but unless anything unforeseen should happen it may be assumed that in all probability the rate will be maintained. At the present price of £3 for the £1 share the yield afforded is as much as  $6\frac{1}{4}$  per cent., which is a much higher return than can usually be obtained. The 4% Debenture stock stands at  $82\frac{1}{2}$ , giving a return of  $4\frac{7}{8}$  per cent., a similar rate to that which is forthcoming on the £5 Preference share standing at  $5\frac{1}{4}$ .

We recapitulate below the capital, prices, dividends, and yields afforded:—

Amount £	Description	Par £	Price £	Dividend %	Approx. Yield £ s. d.
1,850,500	4 % Mortgage Debenture stock...	100	82½	4	4 17 7
1,720,000	Cumulative Preference shares ...	5	5½	5	4 17 7
965,000	Ordinary shares ...	1	3	15•	6 5 0

• Free of tax.

## WORKINGTON IRON AND STEEL CO.

DURING the last six months of 1914 this Company found trading conditions very unfavourable, but an improvement has since occurred, and though the profit for the year to June 30, 1915, is smaller than that for the previous year, the reduction that has occurred is comparatively small, amounting to £22,500 only. Doubtless the Company has experienced a much smaller demand for its main output, namely, steel rails, and presumably it has also suffered from labour conditions owing to the loss of employees on account of enlisting in the Forces, though no information on this point is afforded in the report. On the other hand the return from the investments in Harrington Harbour and Dock, Workington Harbour and Dock, and Beckermest Mines and Harrington Coke Ovens has been remunerative. In its present form the Company is comparatively a young one, representing an amalgamation of some well-known West Coast iron and steel companies which took place in July 1909, the companies concerned being the Workington Iron Company, Limited, the Harrington Iron and Coal Company, Limited, the Moss Bay Hematite Iron and Steel Company, Limited, and the Cumberland properties of Cammell, Laird and Company, Limited. The new Company was formed with a share capital of £2,000,000, divided into 800,000 Preference shares of £1 each and 1,200,000 Ordinary shares of £1 each. Of these, 750,000 Preference shares and 1,091,000 Ordinary shares were allotted to the shareholders of the constituent companies, a sum of £570,000 going to the Workington Company, £200,000 to the Harrington Company, £440,000 to the Moss Bay Company, and £631,000 to Cammell, Laird and Company, Limited. Since the amalgamation the capital has been increased to a total amount of £2,200,000, and of this there has been issued the whole of the authorised Preference capital, namely, £1,000,000, and £1,097,117 out of the £1,200,000 of authorised Ordinary capital.

In the scheme of amalgamation stress was laid on the fact that the new Company would start without any Debenture or mortgage debt on the property, and it was considered that with the economies in administration and management that would be brought about the new Company would occupy a very strong position. The general feeling animating the promotion of the amalgamation may be gathered from the following extract from a speech made by the Chairman of the new Company in May 1909 with reference to the proposed amalgamation: "If the formation of Company took place they would have their supplies of raw material not perhaps entirely in their own hands, but, nevertheless, to an extent that no other companies ever had before. They would have coal, iron ore, limestone, blast-furnaces, steelworks, and shipping facilities, to a very great extent all self-contained and within the circle of the concerns whose names he had given. The conditions of manufacture would be very favourable, he thought, as this country, at any rate, would be able to afford no other possible combination. The output of the joint concern in finished steel would be 10,000 tons a week; then there would be their large output of ferro-manganese and spiegel, which were specialties of the Workington Iron Company, in connection with which, as some of them were aware, they had taken over a manganese mining property in India, with 30 miles of railway attached to it, which, under certain conditions, was capable of giving a highly profitable return. These

undertakings, all working in together, with an average share of intelligence, should go far to make the amalgamation more than prosperous."

On the whole the results secured have only been moderately prosperous from the point of view of the Ordinary shareholders. On two occasions it was necessary to pass the dividend, while no higher distribution than 6 per cent. has yet been made. During the twelve months to June 1912 the Company suffered severely from labour troubles, with the result that the profit dropped to as low a figure as £85,731. The general trade prosperity during the following twelve months enabled a profit of £219,525 to be secured. After writing off £50,000 for depreciation, as compared with £25,000, a dividend of 6 per cent. was paid on the Ordinary capital, and a sum of £30,000 was carried to reserve. For the twelve months to June 1914 the profits were slightly less, falling to £206,480, but similar allocations were possible—namely, a writing off for depreciation of £50,000, a distribution of a 6 per cent. dividend, and a carrying to reserve of £30,000. For the past twelve months the profit has amounted to £183,918; the allowance for depreciation is maintained at £50,000, but the Ordinary dividend has been reduced to 4 per cent., after which there remains a balance of £30,033. Of this, £30,000 is again carried to reserve, and the balance is added to the carry-forward, bringing it up to £22,614.

In the following table we give a comparison of the profits and appropriations for the past six years:—

Year ended June	30—1915	1914	1913	1912	1911	1910
Profit ...	£ 183,918	£ 206,480	£ 219,525	£ 85,731	£ 130,718	£ 92,706
Depreciation ...	50,000	50,000	50,000	25,000	25,000	20,000
	133,918	156,480	169,525	61,731	105,718	72,706
Preference dividend	60,000	60,000	60,000	60,000	54,000	46,507
Ordinary dividend ...	43,885 (4%)	65,827 (6%)	65,827 (6%)	—	32,914 (3%)	—
Special expenditure...	—	—	—	—	4,188	11,707
Preliminary exp., &c.	—	—	7,579	5,000	5,000	5,000
	30,033	20,653	36,119	—3,269	9,616	9,492
Reserve ...	30,000	20,000	30,000	—	—	—
	33	653	6,119	—3,269	9,616	9,942
Brought forward ...	22,611	21,958	15,839	19,108	9,492	—
Carried forward ...	22,644	22,611	21,958	15,839	19,108	9,492

As already stated, the paid-up capital now amounts to £2,097,117. At June 30 last the reserve amounted to £60,000, but with the allocation from the profits of the year it is brought up to £90,000. The total assets are valued at £2,719,561, the largest item being the properties of the Company, which stand in at £1,740,623. There are shown investments in subsidiary companies valued at £245,399. Herewith we summarise the liabilities and assets as at June 30 last.

LIABILITIES.			ASSETS.		
	£			£	
Issued capital ...	2,097,117		Property ...	1,740,623	
Reserve fund ...	60,000		Investments ...	245,399	
Sundry creditors ...	385,915		Stocks ...	492,129	
Profit and loss ...	176,529		Sundry debtors ...	200,533	
			Cash ...	40,877	
	2,719,561			2,719,561	

The outlook, though more favourable than was the case twelve months ago, still remains in an unsettled condition, and the shareholders will await with much interest the speech of the Chairman at the meeting on the 27th inst. But unless anything unforeseen should occur it seems likely that profits will not fall much below those shown for the past twelve months, and, indeed, may be slightly better. The £1 Ordinary shares may be obtained at about 12s. 9d., and on the basis of the 4 per cent. paid for last year the yield afforded is £6 11s. 8d. per cent. The £1 Preference share may be obtained at about par, giving a return of 6½ per cent.

We show herewith the yields at recent prices:—

Amount £	Description	Par £	Price £	Dividend %	Yield £ s. d.
1,000,000	6 % Cum. Pref. ...	1	1	6	6 2 9
1,097,117	Ordinary shares ...	1	12/9	4	6 11 8

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## ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £20,409,644

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## Commercial.

### WOOL CONGESTION AND ITS REMEDY.

At the early series of London wool sales of this year considerable difficulty was experienced in getting the wool out of the boats into the warehouses, and at that time the selling brokers and warehouse-keepers put down the cause of this entirely to lack of dock labour. In those days the dock labourer was in very favourable position. He was better off then than he had ever been before, and it was repeatedly stated at the time that casual hands could make a pound a day in loading and unloading ships in the London docks. The supply of men was small, and the

quality of the labour below the average, hence the easier earned money for those who remained.

This state of things has continued, and has grown, and the warehouse-keepers and Port of London Authority no longer lay the blame for slow delivery of wool to the account of the missing dock labourers. They are now trying to move some of the onus on to the Bradford trade, complaining that many firms who have bought wool in London have refused to take delivery of it, and that wool has been left in the warehouses where it was valued, and where it has ever since been a hindrance and nuisance to the warehouse-keepers. It is stated that there are about 100,000 bales held in London on Yorkshire account, and the congestion has become so bad that wool is being stored at various points further down the Thames. It has been known for some time that the warehouse-owners have had to seek additional accommodation elsewhere than in the City of London, and it has cost them dear; but it is not fair to Bradford to try to lay the blame on the Northern centre, because whereas during the first seven months of 1914 we imported 546,738,994 lb. of wool, this year's imports amount to 719,795,821 lb. France and Germany are poor customers of wool-producing countries this year; and, in spite of America's larger purchases in our Colonies, and in spite also of the increased activity of mills in this country, it is evident that more warehouse accommodation is needed. If the London trade has no warehouses large enough to hold the extra wool, it is not fair to say they are crowded out because Bradford will not take it.

Private warehouses in Bradford are also very full, and many firms who are regular buyers at the London wool sales can testify that when they have asked for wool to be delivered to them from London the warehouse-keepers have been unable or unwilling to give it to the carriers who were sent for it. On the side of the railway companies also there has apparently been some unwillingness, and though it is acknowledged that they are very short-handed indeed, having many trucks held up on Government work, and do not desire the unnecessary labour of seeking out various lots of wool from their warehouse, still there have been several refusals to store wool in railway warehouses when the space has been available. At one of the railway warehouses in Bradford last week a large room was empty, except for about five tons of goods, some of which had lain there for several weeks.

The Government's strong move in telling the Bradford trade that those who have wool in London must move it quickly or it will be moved for them, regardless of expense, has been the chief factor in producing several suggestions for dealing with the congestion. A Bradford municipal warehouse has been suggested, but to store all the wool now lying in London on Bradford account it would have to be a very large building, which could not be erected for a year, and the Conditioning House to-day is crowded out with goods. Hull has been suggested also, but the largest dock there is only capable of taking in about ten or a dozen thousand bales, and perhaps on the whole one offer of the Manchester Ship Canal Company will form the best solution. This company has large warehouses which it can use for the storing of wool, and which are commodious enough to take in practically the whole of the eighty to hundred thousand bales required to be moved from London. Carriage from Manchester to Bradford can be done by road or rail, probably more cheaply by the former method, and if the Bradford wool trade will undertake to support the Manchester Ship Canal Company for a few years to come, it seems that this scheme will be adopted.

Another way out of the difficulty has been suggested. This is to allow the export of wool to our Allies and to America, and the view seems to be a practical one. There is no doubt that very different conditions confront both the import, export, and consumptive end of the trade compared with even three months ago, and different conditions demand different

treatment. The home trade can no longer be said to be short of supplies, but to have a surplus of both merinoes and crossbreds. The Board of Trade has done wisely in refusing licences *ad lib.*, particularly to some Continental neutral countries that, notwithstanding existing embargoes, are known to be favourable to Germany. With these we have nothing to do, and the feeling generally is that these countries would have to give unquestioned guarantees before being allowed to help themselves to English or Colonial wool supplies. But with our Allies things are very different. Neither France, Belgium, Russia, nor Italy are now going to let go a single pound of wool to Germany or Austria, and we think America can also be fully trusted under the present Textile Alliance arrangements. As we take stock of the wool situation, we are convinced that the time has now arrived when considerable weights of both merino and crossbred wool and tops, including noils and wastes, can be exported to "safe destinations," and this will tend materially to reduce congestion, and also be of material assistance in helping to relieve the present unnatural condition of our overseas trade. From an economic standpoint export to our Allies and America is to be encouraged. Prices have now sensibly fallen in consuming centres, not because of any reduced consumption, but largely because of surplus stocks which the home trade cannot possibly absorb, and therefore we consider the time has arrived when licences can be granted freely for export of both merinoes and crossbreds to the countries named. This will greatly benefit our Colonies, who have made heroic sacrifices, besides being some compensation to America for the disturbed conditions of trade, particularly in cotton.

## AMERICAN COTTON.

LIVERPOOL: Thursday.

DURING the past fortnight we have experienced a narrow market with an uncertain tone, but on balance prices have varied but little. On general grounds—that is to say, present and prospective ample supplies, with a probably reduced off-take—the outlook is distinctly "bearish," but so many unusual factors have to be weighed, one feels very diffident in making any forecast regarding the future course of prices. At this time of the year, as a rule, the market begins to feel the pressure of new crop offerings, but with exchange so much against this country, with high freights, and the extra cost for war insurance, any offers Liverpool merchants can afford to send to the States become very low when reduced to American currency, and in consequence new business is difficult to arrange. In addition, warehouse room in the port is so scarce owing to the large carry-over from last season, and owing also to the extraordinary demands for warehouse accommodation for other produce, that the physical inability to provide for any considerable import prevents any free buying in America. If any arrangement to redress the rate of exchange between Great Britain and America became effectual, one great difficulty in the way of importing would be removed, and, with purchases in America rendered more practicable, one result would be hedge selling here. There is always the possibility of some such arrangement being made and so releasing cotton for sale, but meanwhile the usual hedge sales are absent from the market, and prices, despite the "bearish" appearance of the situation, keep quite steady. Operators with "bear" views are deterred from putting out short sales owing to rumours of possible purchases by the British Government of spot cotton in America. It is hardly necessary to say that any operation of this kind, and the holding up of a considerable proportion of the crop in America would, in the first instance at any rate, be in favour of the market, and if any such action is being contemplated, to be short would be very risky. The uncertainty of the position has restricted trading in

futures within very narrow limits, which renders prices exceptionally susceptible to a moderate preponderance of either buying or selling orders. In the morning, when importers are covering sales on the spot, the market has been quite strong, and then in the afternoon prices have broken under a little straddle selling.

Crop accounts continue good, but yesterday reports came through of severe damage owing to a storm in Texas. The market has taken the view that though some damage to property may have been done, the heavy rains which accompanied the storm will ultimately increase the Texas yield.

Egyptian cotton has been relatively stronger than American, owing to some free covering of short sales, due to unfavourable crop news from Egypt. Compared with American, Egyptian cotton by many people is considered cheap, and a large number of buying orders came into the market early in the week, causing on Tuesday an advance of 14 to 22 points.

On the spot business has contracted, but for the better staples and grades the selling basis has been firmly maintained. Reports from our manufacturing centres are less cheerful, and in some districts short time is being mooted. Spinners are finding their buyers unwilling to take delivery of yarn previously bought, and, with new business dragging, they are disinclined to spin into stock. This makes them less keen to buy the raw material, and as a result the daily sales on the spot have shrunk to smaller totals than were recorded last month.

## LEAD.

CONDITIONS in the Lead market have lately attracted more than usual attention, in consequence of the very sharp fall which has been witnessed in prices, which carried values to about £20 from about £23 15s., which latter figure was ruling in the early days of this month. There is no doubt that the wild wave of buying, which recently carried up prices to about £30 a ton in London, had practically no foundation in intrinsic circumstances, but was due instead to excessive speculation both on account of American operators and people in this country. The former set the pace and the latter followed. The result of this has been seen in heavy liquidations of the stale "bull" commitments, and following the drop in prices witnessed in the London market there has been a considerable set-back too across the Atlantic. Even now, however, prices in New York are about 30s. a ton above London parity, and the market is anything but settled.

Lead has for some time past been reaching here in considerable quantity, and at the present time there is a very large surplus of arrivals this year compared with 1914, the full extent of which is to be gathered from the following figures, which also show a marked increase in arrivals during July compared with July of last year:—

From	July		Jan.-July	
	1914 Tons	1915 Tons	1914 Tons	1915 Tons
Spain ... ..	7,082	10,140	49,371	61,903
U.S.A. ... ..	2,846	1,760	13,296	38,877
Mexico ... ..	233	—	1,595	250
Australia ... ..	5,940	10,059	45,370	46,455
Other countries ...	1,653	1,961	18,226	11,158
Total ... ..	17,754	23,920	127,858	158,643

The excess of over 30,000 tons in the supply reaching the United Kingdom for the seven months is really a serious factor, and, as will be seen, the increase is divided between Spain and the United States. The former country gave us about 12,500 tons more than in the previous year, while America close upon trebled her contribution. On the other hand, Australia remained in a practically stationary condition.

There is no doubt that the fall which has been seen in prices from the top recently touched has done a good deal to discount the less favourable statistical

seriously be questioned whether the ultimate limits of the drop have yet been seen, especially too if sentiment in the general market does not improve. It may be remarked in this connection that the average prices of lead during the past few years are enormously below those which have been witnessed lately, as will be seen from the following:—

1909 ...	13 1 8	1911 ...	17 15 10	1913 ...	18 16 2
1910 ...	15 9 1	1912 ...	17 15 10	1914 ...	18 13 9

When these figures are taken into consideration with the average monthly prices so far recorded this year, it will be seen how great the appreciation has been in 1915:—

1915	£ 4. .	1915	£ . .
Jan. ...	18 10	May ...	2 7 2
Feb. ...	18 3 7	June ...	3 4 1
March ...	21 17 8	July ...	24 12 3
April ...	21 2 1		

There can be not the smallest doubt that inordinate profits have greatly stimulated production, while, at the same time, general consumption has been reduced. As has been suggested above, America is very reluctant to face the conditions arising from the foregoing, and, while lowering quotations, keeps them nevertheless too high. The dissolution of the Lead Convention may yet be a point of importance in this connection, for the operations of that body, which got into full swing in 1910, were certainly not conducive to lower prices, as a glance at the averages of recent years shows. Conventions are never brought into existence for the purpose of bringing about lower prices.

## RAND GOLD OUTPUT.

**Bantjes Consolidated.**—Capital issued £502,306, in £1 shares. Three tube mills. Capacity of plant 30,000 tons per month.

Year ends Dec. 31	Tons Milled	Sort- ing	Revenue £	Expenses £	Profit £	Price end of Period
1914 ...	100	279,190	—	320,650	22/11	289,911 20 9 30,739 2 2
1915.						
Mar. qr. 100	47,750	94	51,523	21 7	61,548 25 9	10,120 4 2 1 1/2
June qr. 100	61,000	—	77,225	20 3	62,644 20 6	14,581 4 9 1 1/2
July ...	—	20,590	—	22,441	21/11	21,137 20 8 1,304 1 3 1 1/2

\* Loss due to central shaft breakdown.

Dividends—1914, June, 2½; Dec., 2½ per cent.  
1915, June, nil.

**Durban Roodepoort Deep.**—£440,000, in £1 shares Three tube mills. Crushing capacity, about 25,000 tons a month.

Year to Dec. 31	Tons Milled	Sort- ing	Revenue £	Expenses £	Profit £	Price end of Period
1914 ...	100	238,390	13	407,495	27/4	349,534 23/5 57,961 3 11 —
1915.						
Mar. qr. 100	78,160	12 1/2	100,898	25 9	95,951 24 6	4,947 1 3 —
June qr. 100	80,750	—	111,467	27/4	92,972 23/0	17,485 4 4 1/2
July ...	—	28,000	—	37,407	25/8	31,578 22/6 5,829 4 2 1 1/2

Dividends—1914, June, 3¾; Dec., 3¾ per cent.  
1915, June, 2¾ per cent.

**Glynn's Lydenburg.**—£170,000, in £1 shares. The Company has one tube mill, started May 1910.

Year to July 31	Tons Milled	Revenue £	Expenses £	Profit £	Price end of Period
1913-14 ...	20	45,938	100,626	43 9	46,780 20 4 53,846 23 5 1/2
1914-15.					
Oct. qr. ...	20	12,231	23,400	38/4	11,239 18/5 12,161 19/11 —
Jan. qr. ...	20	11,666	18,581	31 10	11,845 20 4 6,736 11/6 1/2
April qr. ...	20	11,716	20,552	35/1	11,677 19/11 8,875 15 2 1/2
May ...	20	4,106	6,703	32 1/2	3,964 19/4 2,739 13 4 3/2
June ...	20	4,020	6,838	33 0	4,399 21/10 2,239 11 2 1/2
July ...	20	4,100	7,397	36/1	4,396 21 5 3,001 14/8 1 1/2
12 mos ...	20	47,839	83,271	34/10	47,520 19/10 35,751 15 0 1 1/2

\* Results affected by exceptionally heavy rains and thunderstorms.

Dividends—1914, Jan., 10; July, 10 per cent.  
1915, Jan., 10; July, 10 per cent.

**Kleinfontein.**—Capital issued, £1,151,540, in £1 shares; £175,000 6% Debentures. 220 stamps. Four tubes. Plant capacity now over 600,000 tons a year.

Year ends Dec. 31	Tons Milled	Sort- ing	Revenue £	Expenses £	Profit £	Price end of Period
1914 ...	—	—	—	—	—	—
1915.						
Mar. qr. 200	155,050	17	230,137	25 9	132,458 17/1	67,679 8/8 24/6
June qr. 200	155,820	—	203,383	25/11	135,932 17/4	67,448 8/7 22 9
July ... 200	—	—	—	—	—	—

\* Not audited. Expenditure in connection with the Apex and Benoni sections.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 5 per cent.

**Knight Central.**—£900,000, in £1 shares. Three tube mills.

Year to Dec. 31	Tons Milled	Sort- ing	Revenue £	Expenses £	Profit £	Price end of Period
1914 ..	103 1/2 av.	234,960	5	—	—	—
1915.						
Mar. qr. 113	75 1/4	—	—	21 5	71,029 18/7	11,310 2/11 6 6
June qr. 115	79,260	—	81,111	21/2	73,385 18/5	10,916 2 9 6 6
July ...	—	—	—	—	23,753 18/7	27 2 1 7 1/2

Dividends—1910, Dec., 5 per cent. Nil since.

**Knights Deep.**—Capital, 743,526 £1 shares issued; £70,600 Five-and-a-Half per Cent. Debentures still to be redeemed. 400 stamps, 11 tubes, capacity 120,000 tons a month.

Year ends July 31	Tons Milled	Sort- ing	Revenue £	Expenses £	Profit £	Price end of Period
1913-14.	400	1,118,900	—	815,708	14/7	659,003 11/9 156,705 2 10 1 1/2
1914-15.						
Oct. qr. 400	300,920	—	221,798	14/9	177,233 11 9	44,565 3/0 —
Jan. qr. 400	280,000	—	222,441	15/3	175,199 12 0	47,142 3 3 1 1/2
April qr. 400	280,000	—	209,060	14/11	173,562 12 5	35,498 2 6 1 1/2
May ... 400	104,700	—	77,993	14 10	61,482 11/9	16,511 3 1 1 1/2
June ... 400	96,100	—	74,417	15/6	58,594 12/2	15,823 3 4 1 1/2
July ... 400	100,600	—	73,076	14 6	58,955 11/8	14,081 2 10 1 1/2
12 mos. 400	1,172,920	—	870,000	15 0	715,000 12 1	173,020 2 11 1 1/2

Gold reserve—May, 405; June, 400; July, 239 oz.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 7½ per cent.

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**BARCLAY AND CO., LTD.**—At an extraordinary general meeting of the shareholders of Barclay & Co., Ltd., Thursday, Mr. J. Herbert Tritton presiding, the resolution passed at an extraordinary general meeting held on July 29 last, altering Clause 3 of the Memorandum of Association, by which the "objects" of the Company are enlarged, was unanimously confirmed as a special resolution.

**DOMINION BANK.**—Quarterly dividend of 3 per cent.

**CANNOCK AND CO.**—Ad-interim dividend for half-year at the rate of 9 per cent., tax free.

**HENLEY'S (W. T.) TELEGRAPH WORKS CO.**—Interim dividend on Ordinary at the rate of 10 per cent. per annum, less tax.

**MANCHESTER SHIP CANAL.**—For the month of July the traffic return of this Company shows an increase of £7,223, amounting to £57,785, as compared with £50,562 for the corresponding period of last year. The total earnings for the seven months show an increase of £40,230, the figures being £418,077, as compared with £377,847 for 1914.

**MERCHANTS' WAREHOUSING CO.**—Further dividend of 3 per cent. and a bonus of 4 per cent., making 10 per cent. for year.

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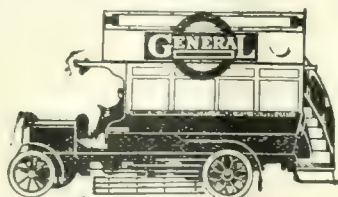
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Panama-Pacific International Exposition,  
San Francisco, Cal.

This Bank having its own Branch at SAN FRANCISCO, CAL., is able to offer special facilities to visitors to the Panama-Pacific International Exposition. Branches at Portland, Seattle, Vancouver, Victoria, and other points on the Pacific Coast.

Drafts, Money Orders and Travellers' Letters of Credit issued, payable at any of these places.

London Office: 2 Bank Buildings, E.C.

H. V. F. JONES, Manager.

**IMPERIAL BANK OF CANADA.**

HEAD OFFICE: TORONTO.  
CAPITAL AUTHORIZED ... \$10,000,000  
CAPITAL PAID UP ... \$7,000,000  
RESERVE FUND ... \$7,000,000

Branches in the Provinces of ONTARIO, QUEBEC, MANITOBA, SASKATCHEWAN, ALBERTA and BRITISH COLUMBIA.

SETTLERS and others going out to any of the Provinces named afforded exceptional Banking facilities.

Agents: ENGLAND—LLOYDS BANK LIMITED, 17 Cornhill, London, E.C., and Branches.

Agents: SCOTLAND—THE COMMERCIAL BANK OF SCOTLAND, LIMITED, and Branches.

DRAFTS issued upon and remittances cabled to any point in CANADA by the Agents of the Bank in England and Scotland, through whom inquiries regarding Canadian securities and business generally can be made and will be promptly attended to.

**CANADA.****THE BANK OF BRITISH NORTH AMERICA.**

Incorporated by Royal Charter 1840.

PAID-UP CAPITAL £1,000,000 RESERVE FUND £2,000,000

HEAD OFFICE: 17 CANNON STREET, LONDON, E.C.

COURT OF DIRECTORS:

F. S. F. ... J. H. M. ... L. A. H. ... J. H. M. ... L. A. H. ... J. H. M. ... L. A. H.

Special Facilities for Collection of Bills, &c.

Deposits received at rates which may be obtained on application.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

**THE EASTERN BANK, LIMITED.**

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T.

(Chairman).

Sir JACOB E. SASSOON, B.E.T. AMHEIRANQUELL, Esq.  
J. C. GEORGES BOULLAT, Esq. J. S. HASKELL, Esq.  
G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq.,  
C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

L. H. STUBBS, Manager.

**THE UNION BANK OF AUSTRALIA, Limited.**

ESTABLISHED 1837. INCORPORATED 1880.

Authorised and Issued Capital, £5,000,000.

Paid-up Capital £2,200,000

Reserve Fund £1,900,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserve .. £7,900,000

HEAD OFFICE: 71 CORNHILL, LONDON, E.C.

DRAFTS are granted on the Bank's branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made. BILLS are purchased or sent for collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

**BANK OF NEW SOUTH WALES.**

Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital £3,500,000

Reserve Fund 2,500,000

Reserve Liability of Proprietors 3,500,000

Total Capital and Reserve £9,500,000



The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania, Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange. Receipts Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

W. A. G. ROBEY, Manager.

**THE WESTERN AUSTRALIAN BANK.**

Established 1841.

Paid-up Capital £250,000 0 0

Reserve Fund £68,000 0 0

Reserve Profits £19,389 0 0

Reserve Liability of Shareholders, £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all Banking and Exchange Business connected with Western Australia conducted through the London Agents.

The Bank of Adelaide, 11 Leadenhall Street, E.C.

**BANCO ESPAÑOL DE LA ISLA DE CUBA.**

ESTABLISHED 1856.

HEAD OFFICE: HAVANA, CUBA.

Capital, Reserve and Profits } \$8,740,000

Assets - - \$39,354,000

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKVEREIN.

KLEINWORT, SONS & Co.

LLOYDS BANK LTD.

**THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.**

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. T. SHANACKER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—R. J. CLARK.

Assistant Cashier—W. A. BUTLEY.

Assistant Cashier—W. K. HARDY.

Assistant Cashier—C. T. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—

"FOUR BANK," SAMUEL MONTAGU & CO.

LONDON CITY AND MIDLAND BANK, LTD.

LLOYDS BANK LTD.

**NATIONAL BANK OF INDIA LIMITED.**

Bankers to the Government of British East Africa and

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya	
Bombay	Chittagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Mandala	Nairobi	British
Cawnpore	Aden and	Nakuru	East
Lahore	Aden Point	Kisumu	Africa
Amritsar	Colombo	Entebbe	
Delhi	Kandy	Kampala	Uganda
Tuticorin		Junja	

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National

Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

**THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.**

Registered in the Transvaal.

(With which are incorporated the Bank of Africa, Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South Africa in the Transvaal, Natal and Orange Free State. Bankers to the Imperial Government in South Africa. London Offices—Circus Place, London Wall, E.C., and 117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

**Ernesto TORNQUIST & CO. LDA.**

BUENOS AIRES.

Established 1830.

Oldest Business Establishment in the River Plate.

CAPITAL FULLY PAID UP AND RESERVES, £2,325,036.

GENERAL FINANCIAL, BANKING AND COMMERCIAL BUSINESS.

**RUSSIAN & ENGLISH BANK**

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000.

Reserve Fund, £126,000.

English Members of the Council of the Bank—Lord Balfour of Burleigh, K.T., Rt. Honble. Austen Chamberlain, M.P., Sir John H. Astor, Bart.

The Bank transacts every description of Banking Business; collects Cheques, Bills, Documentary Bills in all parts of the Russian Empire. Undertakes the Agency of Banks and the purchase and sale of Russian

Stocks and Shares.

London Agents—Boulton Bros. & Co., 39 Old Broad St., E.C.

Agents—Lloyds Bank Limited and Branches.

Telegraphic Address: Briterosse, Petrograd.

# The Statist,

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POST FREE (U.K.)

## BANCO DE CHILE.

London Agency  
94 GRACECHURCH STREET, E.C.  
Chilian Dollars.  
Paid-up Capital ... .. \$40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

## BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000  
Reserve Fund ... .. £P.300,000

### BRANCHES IN:

Piura,	Callao,	Mollendo,
Chiclayo,	Cerro de Pasco,	Arequipa,
Pacasmayo,	Chincha Alta,	Cuzco,
Trujillo,	Ica,	Iquitos,
Huaras,	Huancayo,	Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

## UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG

Paid-up Capital ... ..	\$5,000,000
Rest and Undivided Profits ... ..	\$3,600,000
Total Assets over ... ..	\$80,000,000

The Bank has over 300 Branches in Canada and Agents in the principal Cities in AMERICA.

### London Committee:

J. Leigh Wood, Esq., C.M.G.;  
Hon. Sidney Peel; F. W. Ashe, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to

LONDON OFFICES { 6 PRINCES STREET, E.C.  
26 HAYMARKET, S.W.

## NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... .. £750,000  
Subscribed and Paid-up Capital ... £240,000

Head Office ... AMSTERDAM.  
London Agency... 2 GT. WINCHESTER ST., E.C.  
London Manager J. COST BUDDE.

All descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.

## HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... ..	\$15,000,000
RESERVE FUNDS.	
STERLING RESERVE, held in London at Exchange of 2s. per \$	
=£1,500,000 Sterling, invested in Consols and other Sterling Securities ... ..	\$15,000,000
SILVER RESERVE ... ..	18,000,000
	\$33,000,000

RESERVE LIABILITY OF PROPRIETORS... .. \$15,000,000  
COURT OF DIRECTORS AND HEAD OFFICE IN HONGKONG.

### LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, } Managers  
H. D. C. JONES, } in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

## THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410

Petrograd, Moscow, Paris.

And over 100 Branches in Russia.

London Offices:

24 28 LOMBARD STREET, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Current Accounts opened and deposits received on terms which may be ascertained on application.

## COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

### SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.

London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

## STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100

PAID-UP CAPITAL ... ..	£1,548,525
RESERVE FUND ... ..	2,000,000
UNCALLED CAPITAL ... ..	4,645,575

£8,194,100

### BOARD OF DIRECTORS—

W. R. Arbuthnot, Esq.	Horace Peel, Esq.
Sir David Miller Barbour, K.C.S.I., K.C.M.G.	William Smart, Esq.
Robert E. Dickinson, Esq.	Right Hon. Lord Sydenham, G.C.S.I., G.C.M.G., G.C.I.E.
James Fairbairn Finlay, Esq., C.S.I.	Rt. Hon. Lord Welby, P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE,

LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 220 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected. DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

## BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

LONDON { City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place, Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Consolo.

Sub-Managers { A. Rossi.  
R. B. Handley.  
G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANÇAISE et ITALIENNE POUR L'AMÉRIQUE DU SUD, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and SOCIETÀ COMMERCIALE D'ORIENTE, Milan and Tripoli.

Agents and Correspondents in all parts of the world.

## LONDON BANK of AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital ... .. £1,276,747 10 0

Paid-up Capital ... .. 669,587 10 0

Reserve Fund and Undivided Profits ... .. 328,317 13 0

Reserve Liability of Proprietors 697,160 0 0

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

## CREDITO ITALIANO.

Capital fully paid and Reserve ... £3,460,000

Head Office: MILAN.

The Bank has Branches at Genoa, Rome, Turin, Naples, Florence, Catania, Bari, and numerous other important towns in Italy.

LONDON BRANCH:

22 ABCHURCH LANE, E.C.

Managers { I. GEORGE MANZILFE.  
DAVID A. HORNER.

Transacts a general Foreign Banking Business, having Correspondents in all European Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italcredi, Cable, London."

Telephones: 7802, 7803 City.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital ... .. Yen 48,000,000

Capital Paid up ... .. " 30,000,000

Reserve Fund ... .. " 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien	Kobe	New York
Bombay	Liao Yang	Osaka   Peking
Calcutta	London	Royjun (Port
Changchun	Los Angeles	Arthur)
Dairen (Daire)	Lyons	San Francisco
Hankow	Fengtien	Shanghai
Harbin	(Mukden)	Tientsin
Hong Kong	Nagasaki	Tientsin   Tokio
Honolulu	Newchwang	Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—  
7 Bishopsgate, E.C.

## THE ANGLO-EGYPTIAN BANK, LIMITED.

SUBSCRIBED CAPITAL ... £1,500,000.  
PAID UP, £500,000. RESERVE FUND, £680,000.  
BRANCHES: Alexandria, Cairo, Beni-Souef, Mansourah, Port Said, Tanta, Zagazig, Khartoum, Malta, Gibraltar, Paris.  
BANKERS: The Bank of England, The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at  $4\frac{1}{2}$  per cent per annum.

On current accounts, Interest at the rate of 2 per cent, per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clement's Lane, Lombard Street, E.C.

## BANK of NEW SOUTH WALES.

Established 1817.  
LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital	£3,500,000
Reserve Fund	2,550,000
Reserve Liability of Proprietors	3,500,000
	£9,550,000



The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

DAVID GEORGE, Manager

## NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE—LONDON.

AUTHORISED CAPITAL ...	£3,000,000
SUBSCRIBED CAPITAL ...	2,250,000
PAID-UP CAPITAL ...	750,000
RESERVE FUND ...	685,000
UNCALLED CAPITAL ...	1,500,000

Receives Deposits of £50 and upwards, for 1, 2 or 3 years, at 4 per cent, per annum.

Drafts, Letters of Credit and Wire Remittances granted, and Bills on New Zealand purchased or sent for collection.

H. FRESHWATER, Secretary and London Manager.  
17 Moorgate Street, London, E.C.

## ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).

Head Office: 38 Lombard Street, E.C.

Subscribed Capital ...	£1,078,875	0	0
Paid-up Capital ...	539,437	10	0
Further Liability of Proprietors ...	539,437	10	0
Reserve Fund ...	350,000	0	0

LETTERS OF CREDIT AND DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER, BILLS NEGOTIATED or forwarded for COLLECTION, BANKING and EXCHANGE business of every description transacted with Australia.

E. M. JANION, Manager.

## THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Authorised Capital—	
Subscribed ...	£1,500,000
Unissued ...	500,000
	£5,000,000

Capital Issued and Paid up ...	£2,250,000
Reserve Fund ...	1,400,000
Uncalled Liability of Shareholders ...	2,250,000

Total responsibility for Creditors ... £5,900,000

Head Office: OLD BROAD STREET, LONDON, E.C.  
Paris Branch: 19 Boulevard des Capucines and 23 Rue de la Paix.

Hamburg Branch: 3 Adolphsplatz.  
New York Agency: 60 Wall Street.

Branches and Correspondents in all the principal places of South America.  
Cable Transfers, Drafts, and Letters of Credit issued. The Purchase and Sale of Funds, the receipt of Dividends, the negotiation and collection of Bills of Exchange, Coupons, and Drawn Bonds, and other Banking Business undertaken with all parts of South America.

Current Accounts opened and Deposits received for fixed periods on terms which may be ascertained on application.

## PRUDENTIAL ASSURANCE COMPANY, LIMITED.

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £90,000,000  
CLAIMS PAID - £118,000,000

## BANK OF NEW ZEALAND.

Incorporated 29th July, 1861.  
(Bankers to the New Zealand Government.)  
LONDON OFFICE:—1 Queen Victoria St., London, E.C.

AUTHORISED CAPITAL ... £5,500,000.

SUBSCRIBED CAPITAL:	
Four per Cent, Guaranteed Stock ...	£528,988
"A" Preference Shares issued to New Zealand Government ...	500,000
"B" Preference Shares issued to New Zealand Government ...	250,000
Ordinary Shares ...	1,500,000
	£2,778,988

Reserve Fund and Undivided Profits ... £2,057,170

Negotiates and collects Bills of Exchange, GRANTS DRAFTS on its Offices in New Zealand, Australia, Fiji and Samoa.

Remittances made by telegraphic transfer.  
ALEXANDER KAY, Manager.

## THE MACKAY COMPANIES

PREFERRED DIVIDEND No. 47.  
COMMON DIVIDEND No. 41.

The regular Quarterly Dividend of one per cent, on the Preferred Shares and the regular Quarterly Dividend of one and one-quarter per cent, on the Common Shares in the Mackay Companies will be paid on October 1st, 1915, to Shareholders of record as they appear at the close of business on September 10th.

The Transfer Books will not be Closed.  
Dividend checks of English and Continental Shareholders will be made payable at the option of the payer at the Union of London and Smiths Bank, Ltd., London, E.C.

Dated, August 10th, 1915.

Treasurer.

E. C. PLATT.

## DOMINION IRON AND STEEL CO., LTD., FIVE PER CENT. CONSOLIDATED MORTGAGE BONDS.

The Coupons falling due 1st September, 1915, on the above-mentioned Bonds should be Presented between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle Street, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,  
G. C. CASSELS, Manager.  
47 Threadneedle Street, E.C.,  
28th August, 1915.

# THE FINANCIAL POST OF CANADA,

"The Canadian Newspaper for Investors,"

is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

## THE INVESTORS' INFORMATION BUREAU

will give reliable and unbiased advice by mail on any matter of investment interest free to subscribers.

Send 2 penny stamps for Specimen Copy.

GREAT BRITAIN and COLONIES 12s. 6d. per annum.

FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

BRITISH OFFICE—88 FLEET STREET, LONDON, E.C.

HEAD OFFICE—TORONTO, CANADA.

**UNION-CASTLE LINE.**  
South and East Africa  
ROYAL MAIL ROUTE.  
The Cape, Natal, Transvaal, Rhodesia, East African Ports, Mauritius, etc.

For sailings and other information apply to the Head Office, 3 Fenchurch Street, London. West-end Agency: Thos. Cook & Son, 125 Pall Mall, S.W.

# THE NATIONAL BANK OF SCOTLAND LIMITED

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.

## Head Office—EDINBURGH.

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

# BANK OF NEW ZEALAND.

Incorporated by Act of the General Assembly, 29th July, 1861.

BANKERS TO THE GENERAL GOVERNMENT OF NEW ZEALAND.

## REPORT OF THE DIRECTORS.

The Directors submit herewith the Balance Sheet and Profit and Loss Statement of the Bank for the year ended 31st March last.

The profits, after providing for expenses of management, all bad and doubtful debts, and after making provision for annual donation to the Provident Fund and for bonus to Staff, are ... £396,166 16 9

From this has to be deducted :-

Interest on Guaranteed Stock ... 26,680 15 4

Of this sum the Directors have allocated in reduction of Bank

Premises and Furniture ... 50,000 0 0

Leaving Balance of Profit for the year ... 319,486 1 5

To which has to be added :-

Balance brought forward from last year ... 51,608 8 10

From which there has been paid :-

Interim Dividend at 6 per cent. on "A" and

"B" Preference Shares ... £45,000 0 0

Interim Dividend at 6 per cent. on Ordinary

Shares ... 55,699 19 6

Leaving available for distribution ... £270,394 10 9

This the Directors propose should be disposed of as follows :-

Dividend at the rate of 4 per cent. on "A" Preference Shares ...	£20,000 0 0
Dividend at the rate of 6 per cent. on Ordinary Shares and "B" Preference Shares ...	72,368 0 8
Bonus at the rate of 3 per cent. on Ordinary Shares and "B" Preference Shares ...	36,891 18 0
Transfer to Reserve Fund (Making Reserve Fund £2,000,000.) ...	84,463 12 10
Leaving Balance to be carried forward ...	57,170 19 3
	<u>£270,394 10 9</u>

During the year Branches have been opened at Helensville and Waiuku.

The Branch at Kumara is no longer open daily, but is visited from Hokitika twice weekly.

Agencies have been opened at Herkino, Pio Pio, Ruawai and Tuakau and the Agency at Tokomara has been closed.

HAROLD BEAUCHAMP,

Chairman.

## BALANCE SHEET AT 31st MARCH, 1915.

	LIABILITIES.			ASSETS.		
	£	s.	d.	£	s.	d.
Capital—						
4 per cent. Guaranteed Stock ...	528,988	10	6	Coin and Cash Balances at Bankers ...	4,617,060	18 9
"A" Preference Shares fully paid, issued to the New Zealand Government ...	500,000	0	0	Bullion on hand and in transit ...	210,461	9 3
"B" Preference Shares fully paid, issued to the New Zealand Government ...	250,000	0	0	Money at Call and Short Notice, Government Securities and other Securities in London ...	5,136,996	14 7
Ordinary Shares, 150,000 at £6 13s. 4d. ...	1,000,000	0	0	Bills receivable in London and in transit ...	3,301,301	8 11
Paid up to £3 6s. 8d. per Share ...	500,000	0	0	Investments in the Colonies—		
New Ordinary Shares 75,000 at £6 13s. 4d. ...	500,000	0	0	Colonial Government Securities ...	718,681	0 0
Of which paid up at date ...	475,710	0	0	Municipal Securities ...	242,906	6 5
			2,254,698 10 6			961,587 6 5
Reserve Fund (of which £1,000,000 is invested in British Government Securities, the balance being employed in the business of the Bank) ...			1,915,536 7 2	Bills Discounted ...		1,186,453 10 11
Notes in Circulation ...			1,576,051 0 0	Other Advances and Securities and Debts due to the Bank ...		10,662,707 4 5
Deposits ...			18,741,657 3 3	Landed Property, Premises, &c. ...		451,867 8 3
Bills Payable and other Liabilities (including provision for doubtful debts and for depreciation in Investment Securities) ...			1,670 103 7 10			
Balance of Profit and Loss ...			270,394 10 9			
			<u>26,528,440 19 6</u>			<u>26,528,440 19 6</u>

## PROFIT AND LOSS.

	£	s.	d.	£	s.	d.	£	s.	d.
Dividend at the rate of 4% on £500,000 "A" Preference Shares issued to the New Zealand Government in terms of "The Bank of New Zealand Act, 1903" ...	20,000	0	0	Balance 31st March, 1914 ...			291,608	8	10
Dividend at the rate of 6% on £500,000 Ordinary Share Capital ...	30,000	0	0				<u>291,608</u>	8	10
Bonus at the rate of 3% on Ordinary Share Capital ...	15,000	0	0	Balance brought down ...			51,608	8	10
Amount transferred to Reserve Fund ...	175,000	0	0	Profits for year ended 31st March, 1915, including recoveries, and after payment of, and provision for, all interest due and accrued on deposits, provision for bad and doubtful debts, for annual donation to Provident Fund, and for bonus to Staff ...		755,239 15 0			
Balance carried down ...			240,000 0 0	Less—					
			51,608 8 10	Salaries and Allowances at Head Office and 213 branches and agencies ...	211,320	12 2			
			<u>291,608 8 10</u>	Directors' remuneration, including London Board ...	4,172	5 2			
Twelve Months' Interest on Guaranteed Stock ...			26,680 15 4	General expenses, including rent, stationery, telegrams, postages, travelling, repairs to premises, &c. ...	66,722	0 7			
Amount written off Bank Premises and Furniture ...			50,000 0 0	Audit expenses account ...	2,309	8 6			
Interim Dividend paid 12th December, 1914 :—				Rates and taxes ...	74,548	11 10			
6% on "A" Preference Shares, £500,000 ...	30,000	0	0				359,072	18 3	
6% on "B" Preference Shares, £250,000 ...	15,000	0	0						396,166 16 9
6% on Ordinary Shares ...	55,699	19	6						<u>447,775 5 7</u>
Balance, being Net Profit for Year ...	319,486	1	5						
Amount brought forward from last year ...	51,608	8	10						
			371,094 10 3						
Less Interim Dividend paid, as above ...			100,699 19 6						
			<u>270,394 10 9</u>						
			447,775 5 7						

## RESERVE FUND.

	£	s.	d.		£	s.	d.
Balance ...	2,000,000	0	0	Balance per last Statement ...	1,550,000	0	0
				Premium on New Shares issued, less expenses of issue ...	365,536	7	2
				Amount to be added from Profits for year ended 31st March, 1915 ...	34,463	12	10
			<u>2,000,000 0 0</u>				<u>2,000,000 0 0</u>





and France, in co-operation with the Governments of the two countries, have taken hold of the question, and are proceeding to deal with it in a comprehensive manner.

It should not be forgotten that in spite of the goodwill of the great mass of the American public the Germans in America are numerous, and not without a certain amount of influence. Personally, we believe their influence, if faced resolutely, would prove to be negligible. Nevertheless, we admit that the German Government is using its influence with individual Germans to the farthest extent in order to induce them to give the impression that the Germans in America are very powerful and dangerous. It is quite possible that the Germans in this, as in other matters, are entirely mistaken with regard to the temper of the American people in imagining that they can frighten them into refusing to do what obviously it is their interest to do—to sell all the goods that they can and to consult the convenience of the purchasers in arranging for payment.

Until some arrangement is definitely completed for the payment of our large purchases of goods from the States it is obvious the American Exchange must remain against this country and that large amounts of gold must be sent to New York. In fact, we must look for continued shipments of gold to New York, at any rate for some weeks, and possibly for some months, until credits on a large scale are created in New York, or until economies can be introduced into the expenditures of the British people by which the exchange problems will be fundamentally adjusted, and the imports of the country kept down to a figure which can be met by exports, by interest, and by services. Hence it is essential that the official rate of interest should be firmly maintained. Indeed, it is probable that a further advance in the Bank rate may become necessary, notwithstanding the possibility of such a movement having less force than usual.

The supply of short money continues to be fairly plentiful in consequence of Government payments for Supply and Treasury bills, but next week the amount will be reduced by the payment of another instalment of 15 per cent. on the War Loan, which will take £50,000,000 into the Bank of England less any sums that the Government may disburse.

#### FINANCING THE GOVERNMENT.

THE Governmental expenditures last week amounted to the great sum of £47,000,000. Obviously such a payment is not a normal one, and must be on account of the delivery of exceptional quantities of goods. The revenue for the week was about £5,800,000, and £41,000,000 was received in respect of the new War Loan. On the other hand, £2,665,000 of Treasury bills were redeemed. Hence the net addition to the cash was no more than £6,500,000. The amount paid up on the new War Loan is now as much as £399,500,000, so that the unpaid instalments amount to about £200,000,000. What the future rate of expenditure will be cannot be discovered. But doubtless it will not be as heavy as it has been in recent weeks, for since the end of June the Government disbursements have been as much as £212,000,000, or at the rate of over £4,000,000 a day. If the net expenditure is only at the rate of about £3,000,000 a day, the remaining instalments on the War Loan would meet the expenditure for about 67 days, or a little over two months—that is, until about the end of October. This would leave the Government with its existing cash balance of £109,000,000, which would be sufficient for about five weeks' expenditure. It is possible that some of the Treasury bills outstanding will be retired, but, as far as can now be seen, its cash resources, including the unpaid instalments on the new loan are sufficient to carry the Government through until the end of November.

#### BANK OF ENGLAND.

On balance for the week the Bank received £330,000 in cash, which increased its reserve to £53,948,000. The addition to the reserve was surprisingly small, having regard to the increase of nearly £3,000,000 in the currency note circulation. The amount of gold that came in from the country on balance was only £512,000, while £337,000 was sent abroad, and the net addition to the gold was no more than £175,000. The note circulation has declined £155,000. The gold now held amounts to £67,301,000, and the notes in circulation to only £31,803,000. Including the gold held against the currency notes, the total stock of gold in the Bank of England is no less than £95,801,000, while the Bank notes and currency notes in circulation aggregate only £86,000,000. Hence the total stock of gold held exceeds the total notes in circulation by about £10,000,000. Beyond this amount there is a large stock of gold in the joint-stock banks, as well as very large untapped reserves in the shape of sovereigns and half-sovereigns in circulation. The public deposits have increased £31,390,000 in consequence of the payment last week of another 15 per cent. instalment on the new War Loan. The public deposits are now £134,054,000. On the other hand, the "other" deposits show a reduction of £35,171,000 to £89,465,000. The "other" securities have been reduced £4,046,000 to £142,137,000. The proportion of reserve to liabilities has risen from 23.58 per cent. to 24.13 per cent.

#### THE BANK'S DIVIDEND.

THE Rest of the Bank of England on Wednesday amounted to £3,638,767, and the amount of profit available for dividend would therefore appear to be just about sufficient to make the usual distribution at the rate of 10 per cent. per annum, less income tax. The dividend for the half-year of 5 per cent. would call for £726,000, but deducting tax at the rate of 2s. 6d. in the £ the amount required is only about £636,000, against a profit available of £638,000, the Rest never being permitted to fall below £3,000,000. Of course, the shown profits are no measure of the total profit. It is obvious that in a half-year in which the Bank's total deposits have ranged between £200,000,000 and £270,000,000, and the securities held have been correspondingly great, the profit from interest must have been very large, but most of this profit has evidently been applied to the writing down of securities and to hidden reserves. The advantage of the large income which the Bank is now deriving from interest will not be realised until after the War is over, and the prices of investment securities recover to a normal level. No one can doubt that the strength of the Bank is extraordinarily great, and we regard its stock as one of the most attractive of our Trustee investments. The price is now 230, and on the basis of 10 per cent. dividends the yield is £4 8s. 11d. per cent., and after deducting income tax the return is £3 17s. 9d. per cent.

#### MONEY IN NEW YORK.

EXPORTS from the United States continue to be on a great scale, and in spite of the purchases of a great many securities from Europe and the arrival of a good deal of gold, the sight exchange has again declined from 4.67½ to 4.63½. Call money is plentiful supply, and can be obtained at 2 per cent., while the time money rate is 3¼ to 3½ per cent. Last week there was an increase of nearly £4,000,000 in the reserves of the New York banks, due to the arrival of a great sum of gold from abroad. The loans of the banks increased £6,400,000, and the deposits over £10,000,000. Nevertheless, the surplus reserves expanded over £2,000,000 to £37,158,000.

The Irving National Bank of New York notify us by cable that the following rates of exchange are current in New York:—

New York on—	Rate	Far as usually quoted	Per cent.
London ... sight	\$1.00	4 86½ dollars for £1	4%
" ... cables	\$1.00		
" ... 30 days	\$1.00		
Amsterdam ... sight	1.00	1.01 cents for 1 guilder	0.8
Berlin ... sight	1.00	25 cents for 4 marks	11.2
Copenhagen ... sight	1.00	2.4 cents for 1 kronen	4.1
Italy ... sight	1.00	9.18 lire for \$1	2.0
Paris ... sight	1.00	135 francs for \$1	15.1
Petrograd ... sight	1.00	114 cents for 1 rouble	11.0
Mexico ... Mex silver \$	1.00	1.18 for 1 Mex. \$	21.0
Switzerland ... sight	1.00	1.54 francs for \$1	3.0
Vienna ... sight	1.00	2.1 cents for 1 kronen	25.2

Rates for prime commercial paper and for call loans in New York are as follows:—

Aug. 26, 1915 ...	Prime paper ... 3-3½%	Call money ... 2%
Aug. 27, 1915 ...	" " ... 4-7%	" " ... 6-8%

### POSITION IN INDIA.

THE British export trade in India this week at 1s. 3½d., trade in that country having once again begun to expand. With a large wheat crop and with a favourable monsoon in India, exports from that country should show marked expansion, and the demand for exchange should now improve. For the first time for several weeks the India Council succeeded in selling the 10 lacs of drafts it offered, and for the second week in succession there has been a small withdrawal of silver coin from the Currency Department. The loss this week was 16 lacs, reducing the amount held to 3,991 lacs.

### SILVER.

THE Silver market has been steady, and after falling from 22½d. to 22¼d., the price has recovered to 23½d. The market has been supported by the purchase of another 500,000 ounces of silver for the American Mint, and it is understood that the American Government proposes to purchase in all 15,000,000 ounces of silver. Some discussion has occurred as to the ability of the East to buy silver, and a great expansion in our imports from China and a diminution in our exports to that country are pointed to as an indication of the power of China to buy silver more freely than it did last year. It is, however, important that the market should realise that in recent years the power of the East to purchase silver has been gained in large part by the free investment of British and other foreign capital, and that owing to the War this investment has now entirely ceased. The great purchases of goods by this country is permitting the East to meet its interest payments without borrowing and without difficulty, and it is possible that our purchases of Eastern goods may become so large that India and China will be able not only to meet their interest charges out of their income, but to purchase moderate amounts of silver as well.

## Stock Exchange.

THERE has been a very much better tone about markets this week than for some time past, and in some directions substantial recoveries in the prices of securities have occurred. This better feeling was due to several factors, the most important being the Russian naval victory in the Gulf of Riga. Another has been the continued success of the Russian Army in withdrawing from untenable positions and presenting an unbroken front to the enemy, together with the expectation in Russia that an equilibrium of conditions will soon be reached by the Russian and German Armies. Hitherto the Russian Army has been at a great disadvantage, but the farther the German Army advances into Russia the greater become its difficulties and the smaller are the difficulties of the Russian Army. The news from the Dardanelles has also been more distinctly hopeful. Beyond the better war and political news the measures taken to secure financial stability in this country and in France are expected to prove successful.

In consequence of the recent great fall in the American exchange a meeting was held at the end of last week at Boulogne between the French Minister of Finance and the Chancellor of the Exchequer, at which a complete agreement was reached as to the steps it was desirable to take. A further meeting is to be held in London in order to discuss matters with the Russian Minister of Finance. As a result of these meetings a number of delegates are expected to visit America in the early future.

These various events would appear to mean a continuance of large purchases of produce and of goods in all parts of the world and a more active condition of trade. The only question in doubt, indeed, is whether or not the allied nations will be supplied with the great quantities of goods they need for the war and for the consumption of their civil populations by means of credit operations, or whether it will be essential for the allied Powers to keep their aggregate expenditure within the limits of their own incomes. If they do this, then it is obvious that, for a time at any rate, the civilian populations of Great Britain, France, and Italy will be unusually economical, and a large portion of the foodstuffs and goods produced in other lands will not find a market, but will accumulate on the hands of farmers and others.

In a short time, however, this would bring about a great fall in prices, and the allied nations would thus be able to increase their consumption in consequence of their incomes possessing a greater purchasing power. This being the situation, it seems probable that the necessary credits will be granted, and that the consumption of the allied nations will be maintained at a high level. In brief, if the United States grants the credits which will enable the Allies to purchase American goods freely, the trade of the whole world will derive advantage, and railways and companies both at home and abroad will enjoy great incomes; hence the recovery in the prices of securities which has taken place this week, more especially of American, Canadian, and Argentine railways.

	Int. or Div.	Price, July 27, 1914	1915—High.	Low.	A. Week Ago	Current Price	+ or -
Consols 2½ ...	2½	72½	68½	65	65	65	—
War Loan (1925-28) ...	3½	—	95½	91½	92½	92½	—½
" " " x. rights ...	4½	—	—	—	98	97½	—½
" " " " ...	4½	—	—	—	97½	97½	—
Arg. 6% Treas. Bds. (1920) ...	6	—	97	96½	96½	96½	—
Austrian Gold 1876 ...	4	82½	64	61½	64	64	—
Brazil New Funding ...	5	—	80	68	69	69	—
French 3% Rentes ...	3	77½	68½	62½	62½	63	+½
German 3% ...	3	74	58½	47½	53½	53½	—
Hungarian Rentes ...	4	74½	48½	48½	48½	48½	—
Italian 3½% ...	3½	94	79½	66½	67	67	—
Japan 4½, 1st Ser. ...	4½	93	91½	83	84½	85½	+½
Russian 4½, 1909 ...	4½	94	90½	73½	73½	73½	—
Caledonian Deferred ...	4	13½	12½	8½	8½	8½	—
Gt. Northern Deferred ...	2½	48½	46½	37½	38½	38½	+½
Gt. Western ...	5½	113½	111½	97	98	96½	-1½
L. & N. Western ...	6	125½	122½	101½	101½	100	-1½
L. Brighton, & S.C. Def. ...	3½	76½	70½	50½	51½	52½	+1
Midland Deferred ...	4	68½	67½	57½	58½	58	-½
N. Eastern ...	6½	120½	119½	103½	104½	104	-½
S. Eastern Deferred ...	1	37½	34½	22	22½	22	-½
Underground Incomes ...	6	88	84	68½	75	74	-1
Canadian Pacific ...	10	179	177½	145½	161	161½	+3½
Canadian Northern 5% Conv. nil	—	80½	70½	45	50	49½	-½
Grand Trunk 4% Guar. ...	3½	80	75½	47½	54	54½	+½
Atchafalpa ...	6	97	109½	95½	107½	108½	+1½
Baltimore & Ohio ...	5	79	88½	69	86½	87½	+1½
Erie ...	nil	24	31½	21	29½	30½	+½
Pennsylvania \$50 ...	6	55½	58	53½	57½	57½	+½
Southern Pacific ...	6	94½	98	83½	94	94½	+1½
Union Pacific ...	8	156½	140½	118½	138	137½	+1½
U.S. Steel ...	nil	59½	82½	46½	78½	81½	+2
Buenos Ayres Gt. Southern ...	4	105	97½	72½	78½	85	+6½
Armstrong Ord. £1 ...	12½	2	45.9	34.9	35.3	35.6	+7.3
Canadian Car. Common ...	nil	47½	121½	20	107	112	+5
Hudson's Bay £1 ...	nil	7½	7½	4½	4½	4½	—
Shell Transport Ord. £1 ...	35	4½	4½	3½	4½	4½	+½
Vickers Ord. £1 ...	12½	1½	39.10½	31.6	31.9	32.0	+7.3

\* Minimum price 65.

# CLERGY MUTUAL ASSURANCE SOCIETY, 1829.

NO SHAREHOLDERS. NO AGENTS. NO COMMISSION.

By its new Act (1914) Past or Present Members of the

**UNIVERSITIES and PUBLIC SCHOOLS,**

as well as the

**CLERGY AND THEIR RELATIVES,**

are admissible to

**ALL BENEFITS OF THE SOCIETY.**

including the right to share in BONUSES.

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Incorporated  
A.D. 1720



Head Office:  
ROYAL EXCHANGE,  
LONDON, E.C.

## ROYAL EXCHANGE

### ASSURANCE CORPORATION.

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Accidents, Motor Car,  
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are granted in  
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## Mining Topics.

On the whole prices in the mining departments have been well held, and in several directions, especially as to Far Eastern Rand descriptions, shares have improved in price. A special feature of the week has been the pronounced advance in Modderfonteins, which have appreciated to a fraction over 15, a rise in less than a week of about £1 per share.

An exception to the general strength of Rand mining shares has been the weakness of East Rand Proprietary, due to the disquieting showings of recent developments, especially in the June quarter, and the warning contained in the quarterly report that the ore reserves "will be adversely affected."

Last week we briefly referred to some figures respecting the number of native labourers on the Rand. In the interval since, we have received the Annual Report of the Transvaal Chamber of Mines for 1914. Included in this is the President's address, delivered in June last, in which he congratulated the Chamber on "the excellent position in which we are placed to-day as regards our supply of labour." He made reference to the extraordinarily adverse influences—the strike in January 1914, the outbreak of the European War, the Home rebellion—and observed how fortunate it was that such influences had not been more seriously felt in respect of labour. Of the total number of some 166,000 natives employed on the Rand at the end of 1914, approximately 72,000 were East Coast "boys." These "boys" are far more efficient than other natives, first, from the fact that approximately 80 per cent. of the East Coast "boys" seek re-employment with previous mining experience. They have passed through a training and so know the work; and, secondly, that, as a rule, they accept service for a period averaging twelve months. Other natives rarely bind themselves by a contract to work for a long period—more generally about six months only.

Base metal shares, especially Broken Hills, are a little harder in tendency. Copper shares have distinctly improved, both here and in New York, the

main reason for the advance being the renewed upward trend of the price of the metal, which at the closing price of about £71 shows a rise on the week of about £6 per ton. Prices of metals all round have shown a much firmer tendency this week, and a comparison is given below:—

	Last Week	This Week	Rise per Ton
	£ s. d.	£ s. d.	£ s. d.
Copper ... ..	65 2 6	71 0 0	5 17 6
Tin Straits) ... ..	148 8 9	155 10 0	7 1 3
Spelter... ..	60 0 0	68 0 0	8 0 0
Lead (Foreign) ... ..	21 6 3	22 7 6	1 1 3

**Modderfontein.**—It is definitely announced by this Company that the intended additional new plant of 40-stamp capacity, to deal with 40,000 tons a month, has been ordered. This new plant will be erected in the region of the Central Shaft—the rest of the plant is on the extreme north-west boundary of the Company's property. The outlook is that the additional plant will be put into commission about the middle of next year.

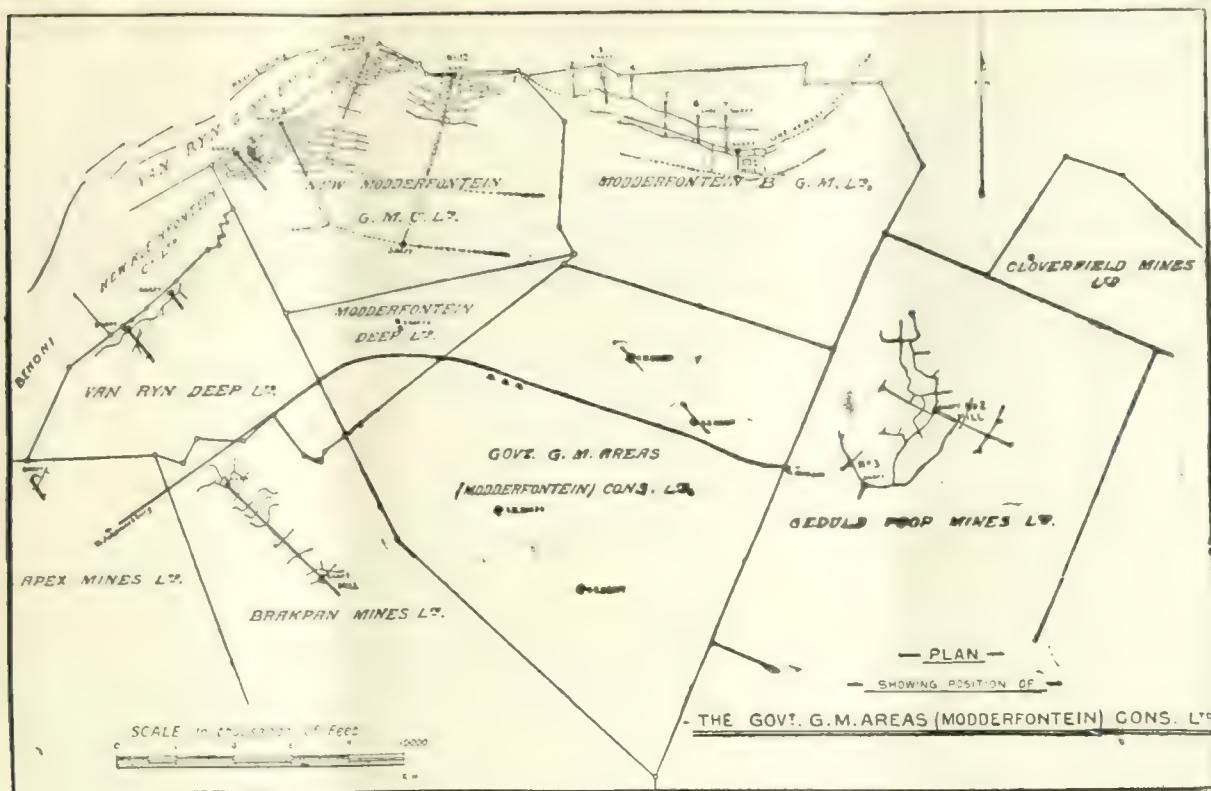
**Shamva.**—Cabled information has this week been received that at No. 5 Level Cross-cut the width now exposed is 35 feet, averaging 25s. 6d., and "reef still continuing in cross-cut."

## THE EASTERN RAND.—I.

DURING the last few years, and especially during the last two or three, some striking instances of profitable operations in the Eastern Rand have attracted a great amount of public interest, and it is in this section of the great Transvaal goldfield that the most noticeable activity is reported. It is true that in several directions the stage of production has only been slowly attained, but after such a start has been made the disclosures of the nature of the reef formation as to the ore widths and grade have been so encouraging that various companies have either ordered or contemplated ordering additional plant so as to increase production. We referred last week to the individual increases arranged for or probable in the near future. Nine companies were operating in the last completed year at the rate of 3,361,000 tons a year. The present rate of ore consumption is raised to 4,730,000, and by the end of 1916 the rate of output is likely to be raised to a total of about 6,750,000 tons a year. The figures are of such importance that we set them out in detail both as to past, present, and future tonnages annually.

	Output 1914 Tons	Profit per Ton	Present Rate of Output Tons	Profit per Ton July 1915
Kleinfontein ... ..	601,000	8/9	630,000	8/7
Probable addition of Benoni mill capacity of 360,000 tons by end of 1916.				
Van Ryn ... ..	462,000	10/10	450,000	8/7
Van Ryn Deep ... ..	483,000	17/0	500,000	19/10
Brakpan ... ..	621,000	9/1	760,000	10/0
Till this year erected plant has not been worked to full capacity.				
Modderfontein ... ..	510,000	21/8	630,000	22/7
Additional plant ordered to be erected at Central Shaft, of capacity equal to extra 480,000 tons a year, expected to be started about the middle of 1916.				
Modderfontein B. ... ..	440,000	20/4	500,000	24/3
Increase from now on to total rate of 540,000 tons a year.				
Modderfontein Deep Started Dec. ... ..	—	—	410,000	20/3
Additional plant to raise total to 480,000 tons a year expected to be ready by middle of 1916.				
Government Areas ... ..	Started Oct. 5/0	—	540,000	7/8
In April 1915 it was decided to double the plant, and by the autumn of 1916 the rate of output may be increased to about the total rate of 1,100,000 tons a year.				
Geduld ... ..	244,000	7/4	310,000	9/8
An early decision to appreciably increase plant is probable.				

Yet another Company is making preparations for reaching the stage of production, namely, the Springs Mines, Limited, which is erecting plant of a capacity to deal with 360,000 tons a year. This plant is expected to be ready for starting by the last quarter of 1916. The Daggafontein Mine, at which operations for the time being are suspended, is endeavouring to make arrangements whereby the mine may be brought to the producing stage.



It is now a good many years ago since propositions east of the Knights (Witwatersrand) Company's property were regarded as outside the probability of becoming profitable, and later on they were looked askance at as ultra-speculative in their chances of attaining the stage of profitable production. It is true properties were taken up as far back as about 1888. These were far beyond the East Rand Proprietary's intermediate property to the east of the Knights area. It may be recalled the East Rand Proprietary was registered in May 1893, and of the further Eastern Rand companies the Modderfontein and the Kleinfontein Companies were registered respectively in 1888 and 1893. The Modderfontein B. Company was initially formed in 1895.

Though, at the moment, of the Eastern Rand companies the Modderfontein holds the position of being the doyen company, really the pioneer companies of the region were the Kleinfontein and the Van Ryn. The first of these companies was worked with continuous fair profit results, while the second, principally through the disturbed character of the ground and faulty management, in its early endeavours did not achieve the hoped-for success, but, later, on rectification of the errors made, gratifying profits were obtained. The big outcrop proposition, the Modderfontein, to the east of the Van Ryn was handled for several years in a halting and ineffective manner. Only the extreme north-west fringe of the Company's very large area was tackled, and though very good signs of the real character of the ore in the property were shown, the progress made was extraordinarily slow, and there was a lack not only of solid development of the immediate part of the property attacked, but of any appreciable exploratory work in other portions of the large area. Incidentally we may call attention to the fact that the areas of Eastern Rand companies are nearly all large, and to bring this home to the minds of people who are not conversant with the magnitude of the properties, we may mention that a walk round the boundaries of the Modderfontein's approximately square area at the rate of three miles an hour would take about three hours and twenty minutes to enable the pedestrian to complete his journey—in other words, this approximately right-angled area has a circumference of about 10 miles.

Not so very long ago those who handled the Modderfontein, finding that a bold policy was paying them in effecting an increased output, extended the area of

search in their own ground, and in quite recent years have effected discoveries of most encouraging character; and, further, it may be said the discoveries of other companies in the regions beyond to the east, south, and south-west have also given many highly encouraging indications.

Early during the era of proving this region the Geduld bore-tests gave a fillip to the policy of searching. Later the success attending the exploration of the Brakpan property, and subsequently the successful opening up and the arrival at the stage of production of the Van Ryn Deep, the Modderfontein Deep, and the Government Areas have all attracted attention to the region. In some directions delays have been caused by physical discomforts, and not through want of energy or a half-hearted policy. It seems but yesterday, how, after effecting some small amount of development and erecting a small reduction plant, the Geduld met with misfortune and had to suspend milling operations consequent on water accumulation; but at the moment the fortunes of the Geduld appear to be on the mend, and it would not be a matter of surprise to learn that those responsible for the Geduld management will do with that property as did the Modderfontein Deep, with which the same group is associated—that is, increase—the capacity of the plant.

We have made reference to the timid manner in which the first Modderfontein mine was tackled. In contradistinction to this we would record the bold policy adopted by those who associated themselves with the Modderfontein B. Company having a large area immediately to the east of the New Modderfontein. Initially the property was formulated as the Modderfontein Extension. It was probed in a perfunctory manner by bores and some exploratory shafts, and then the ground was allowed

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for years to remain fallow. Subsequently a large area of eastern and dip ground was secured, and the Company recast, equipped with capital, and development initiated. With the knowledge obtained by the original exploratory workings, two shafts of large pattern were located—the No. 1 to the west, and the No. 2 to the east. In the No. 1 shaft satisfactory showings were first encountered, but in the No. 2 shaft, at the depth where reef should have been intersected, a body of calcite was met with. Had there been a half-hearted policy on the part of the directorate the No. 2 shaft would probably not have been proceeded with; but there was perseverance in sinking through the calcite and in driving beyond it, and such has been the success attained in effecting developments, that now the No. 2 shaft is the only one the Company relies upon. The management has abandoned the No. 1 shaft, and the ore is raised at the No. 2 shaft where the mill and reduction plant are situate.

We have thus sketched out some of the salient features of the region, and make this virtually the first chapter of some articles we hope to give dealing with the field as a whole and with the most recent position of individual concerns, and in especial making an attempt to formulate some idea as to the lives of individual undertakings that are at or very near to the stage of production.

### ANGLO-FRENCH EXPLORATION.

IN THE STATIST of May 1, 1915, we called attention to the Chairman's statement in connection with the projected modification of the Company's capital arrangements. Its issued capital is £1,000,000, in 500,000 Ordinary and 500,000 6% Cumulative Preference shares of £1 each. It is mooted that there should be obliteration of the £500,000 Preference capital by return of £200,000 in cash, and the balance of £300,000 be taken by the Preference shareholders in 4½% Debentures. Formal notices have this week been issued to both the Ordinary and Preference shareholders convening a meeting on September 15 for the sanctioning of the project, which will have to receive the approval of the Courts.

### UTAH COPPER COMPANY.

It is to be borne in mind that this is virtually the second largest of the American copper producers. Even in the circumstances of 1914, when at the close of the year the output was reduced to practically half of what it had been in the earlier part of the year, the output for the twelve months' operations considerably exceeded 50,000 tons of 2,240 lb. At the end of the year a reversion to increasing the output was commenced and rapidly augmented in the first half of 1915, so that the production for the June quarter was a record one, being 18,214 tons, or at the rate of over 70,000 tons a year.

At the same time the Company was enormously increasing its output it was securing very advantageous prices, the quarterly record of which is set out in the table below, and indicates that in the June quarter the price obtained for the metal produced was approximately 50 per cent. higher than was obtained for the output of the December quarter last year. Temporarily at the beginning of 1915, with a comparatively small output the costs per lb. of copper produced were higher than in previous quarters; but for the June quarter, with the restoration of a large output, costs were pulled down to the record figure of 7.49 cents per lb. In the record of quarterly income for 1914 given in the table below we do not include some special income arising in connection with a deal regarding the Bingham and Garfield Railway; but as an outcome of the deal arranged, in future the income from the Company's investments in shares of the Nevada Consolidated and its railway interests will increase the net revenue that is returned each quarter,

and which is added to the net profit on mining operations in arriving at total income.

#### Quarterly Progress of the Utah Copper Company.

Year to Dec. 31 1914	Tons (2,000 Lb.) Mined	Grade %	Gross Quantity Copper Lb.	Price Realised Cents per Lb.	Operating Costs Cents per Lb.	Income \$
Mar. qr. ...	1,902,100	1.34	32,846,155	14.40	9.42	1,965,074
June qr. ...	2,006,157	1.46	40,017,562	13.91	7.54	2,819,104
Sept. qr. ...	1,466,666	1.43	28,686,672	12.48	7.76	1,312,738
Dec. qr. ...	1,035,303	1.51	20,229,012	11.26	7.73	1,076,073
Year 1914 ..	*6,470,166	1.425	121,779,401	13.26	8.037	(a)7,172,989
Quarterly dividends paid (75c., 75c., 75c., 75c.), int. and res. ...						
						5,383,397

Unappropriated ... .. 1,789,592

(a) Special income from sale of securities is not included in above.  
\* Year's figures adjusted.

1915.						
Mar. qr. ...	1,396,341	1.44	26,415,995	14.93	8.19	2,167,415
June qr. ...	2,215,159	1.42	40,799,825	16.98	7.49	4,412,298
						6,579,713
Quarterly dividends paid (75c., \$1) ... ..						2,842,857
Surplus—gross ... ..						3,736,856

Steadily up to the end of the March quarter there was a maintenance of the long-continued 75 cents quarterly dividends, equal to the rate of \$3 per \$10 share, or 30 per cent. per annum. The results of the June quarter were so good that even after meeting the dividend—raised to \$1 per share—there was a surplus of \$2,787,808 in excess of the dividend paid, making the gross surplus for the six months to June 30 \$3,726,856. With so strong a position consequent on the accumulation of unappropriated profits, the outlook is that the Company will for some time ahead be able to continue the increased rate of dividend of a dollar quarterly or at the rate of 40 per cent. per annum.

According to the last annual report the issued capital of the Company was \$16,244,900. The approximate New York price of the \$10 shares is \$65, and at such price the continuance of quarterly dividends of \$1 per share affords the investor a yield of about 6½ per cent.

**Parral Mining Corporation.**—We notice a quotation in a daily paper of 1-1½ for the "Parral Mining Corporation" shares. Neither our own archives nor the usual books of reference contain any information as to this concern, although we note that in 1906 a Parral (Mexico) Railway and Mining Corporation, Limited, was formed. Apparently this 1906 undertaking has been more or less dormant for years, but whether there be any connection between the two "Corporations" or no, most people will want to know very much about the "Parral Mining Corporation" before paying a price of 1-1½ for its shares.

### INDIAN MINES.—III.

#### OOREGUM.

THE Ooregum is the deepest mine on the field, and, judging by its experience in the past and the present, there appears to be some justification for the idea held by many people that the Indian mines will only cease to produce gold when they reach a depth beyond which it will be impossible to work. The Ooregum has passed through a good many poor zones only at greater depth to come upon rich ore again, and at the present time the mine is developing in an excellent manner, though its lowest level is very nearly 5,000 feet vertical depth beneath the surface. The deepest level of the mine is the 54th, in Oakley's section, but this has only recently been commenced. At the 53rd level driving in recent months has exposed good ore for the distance so far accomplished. The details are as follows:—

#### 53rd Level (Oakley's Section)

North Drive			South Drive		
Length feet	Width Inches	Value Dwt.	Length feet	Width Inches	Value Dwt.
17	15	11.7	11	21	22.1
21	12	12.44	10	33	31.
8	50	24.1			
25	51	140			

the best discoveries, however, have been in Bullen's section, in the northern half of the mine. Here the lowest level is the 51st, which has recently been started. For a good many levels now rich and long shoots of ore have been developed in this section of the property, and as the three bottom levels are the most important at the present time we give below the values for them:

Bullen's Section.

Level	Length	Width	Value	Level	Length	Width	Value
13	100	10	27.6	16	100	10	17.1
14	50	23.0	16	17	100	10	17.1
15	100	10	16	18	100	10	17.1
16	100	10	16	19	100	10	17.1
17	100	10	16	20	100	10	17.1
18	100	10	16	21	100	10	17.1
19	100	10	16	22	100	10	17.1
20	100	10	16	23	100	10	17.1
21	100	10	16	24	100	10	17.1
22	100	10	16	25	100	10	17.1
23	100	10	16	26	100	10	17.1
24	100	10	16	27	100	10	17.1
25	100	10	16	28	100	10	17.1
26	100	10	16	29	100	10	17.1
27	100	10	16	30	100	10	17.1
28	100	10	16	31	100	10	17.1
29	100	10	16	32	100	10	17.1
30	100	10	16	33	100	10	17.1
31	100	10	16	34	100	10	17.1
32	100	10	16	35	100	10	17.1
33	100	10	16	36	100	10	17.1
34	100	10	16	37	100	10	17.1
35	100	10	16	38	100	10	17.1
36	100	10	16	39	100	10	17.1
37	100	10	16	40	100	10	17.1
38	100	10	16	41	100	10	17.1
39	100	10	16	42	100	10	17.1
40	100	10	16	43	100	10	17.1
41	100	10	16	44	100	10	17.1
42	100	10	16	45	100	10	17.1
43	100	10	16	46	100	10	17.1
44	100	10	16	47	100	10	17.1
45	100	10	16	48	100	10	17.1
46	100	10	16	49	100	10	17.1
47	100	10	16	50	100	10	17.1
48	100	10	16	51	100	10	17.1
49	100	10	16	52	100	10	17.1
50	100	10	16	53	100	10	17.1
51	100	10	16	54	100	10	17.1
52	100	10	16	55	100	10	17.1
53	100	10	16	56	100	10	17.1
54	100	10	16	57	100	10	17.1
55	100	10	16	58	100	10	17.1
56	100	10	16	59	100	10	17.1
57	100	10	16	60	100	10	17.1
58	100	10	16	61	100	10	17.1
59	100	10	16	62	100	10	17.1
60	100	10	16	63	100	10	17.1
61	100	10	16	64	100	10	17.1
62	100	10	16	65	100	10	17.1
63	100	10	16	66	100	10	17.1
64	100	10	16	67	100	10	17.1
65	100	10	16	68	100	10	17.1
66	100	10	16	69	100	10	17.1
67	100	10	16	70	100	10	17.1
68	100	10	16	71	100	10	17.1
69	100	10	16	72	100	10	17.1
70	100	10	16	73	100	10	17.1
71	100	10	16	74	100	10	17.1
72	100	10	16	75	100	10	17.1
73	100	10	16	76	100	10	17.1
74	100	10	16	77	100	10	17.1
75	100	10	16	78	100	10	17.1
76	100	10	16	79	100	10	17.1
77	100	10	16	80	100	10	17.1
78	100	10	16	81	100	10	17.1
79	100	10	16	82	100	10	17.1
80	100	10	16	83	100	10	17.1
81	100	10	16	84	100	10	17.1
82	100	10	16	85	100	10	17.1
83	100	10	16	86	100	10	17.1
84	100	10	16	87	100	10	17.1
85	100	10	16	88	100	10	17.1
86	100	10	16	89	100	10	17.1
87	100	10	16	90	100	10	17.1
88	100	10	16	91	100	10	17.1
89	100	10	16	92	100	10	17.1
90	100	10	16	93	100	10	17.1
91	100	10	16	94	100	10	17.1
92	100	10	16	95	100	10	17.1
93	100	10	16	96	100	10	17.1
94	100	10	16	97	100	10	17.1
95	100	10	16	98	100	10	17.1
96	100	10	16	99	100	10	17.1
97	100	10	16	100	100	10	17.1

Values are given down column, north to south. The first and last values are the latest indications reported. In a winze just commenced below the 51st level, 13 feet sunk showed 3 feet 3 inches width and 16 dwt. value.

Consequent on the good developments last year the ore reserves of the mine at December 31, 1914, showed a substantial increase, and it looks as if the same encouraging feature will be witnessed at the close of this year. The good values disclosed by development work have also been reflected in the milling returns. The progress in this respect will be seen from the following:—

Yr. ends	Ore Milled Tons	Total Cost £	Working Cost £	Profit £	Ord. Shares
Dec. 31	153,636	360,888	47.0	186,613	24.4
1913	153,636	360,888	47.0	186,613	24.4
1914	154,898	367,082	47.4	186,075	24.6
1915					
Mar. qr.	38,411	90,800	18.1	—	27.0
April	13,051	31,000	18.0	—	25.6
May	12,914	30,700	17.8	—	25.6
June	12,540	29,700	17.4	—	25.6
July	12,820	30,481	17.7	—	25.6
7 mos.	89,736	212,681	48.2	—	—

\* Before deduction of royalty (£21,660 in 1914).

† Estimated at £4.5s. per ton.

Dividends per cent.—Total distribution, account 1911 and 1912, 40 on Preference and 10 on Ordinary. Account 1913, 42½ Preference and 32½ Ordinary. Account 1914, June, 17½ Preference and 10 Ordinary; December, 7½ each; March, 10 each. Account 1915, June, 17½ Preference and 7½ Ordinary.

The issued capital of the Company consists of 481,544 Ordinary and 240,000 10% Preference shares, both of 10s. denomination, the Preference shares being entitled to the same dividends as the Ordinary, plus 10 per cent. The Ordinary shares are now quoted at about 24s. 6d. and the Preference at 32s. 6d., which prices, in view of the depth of the mine, considerably discount the good underground developments referred to above.

**Talisman.**—The local board of this Company in New Zealand have requested the directors to alter the Articles of Association so that the control and direction of the Company may be transferred to New Zealand, thus avoiding the payment of English income tax on dividends distributed in New Zealand. Counsel's opinion has been taken, "and he has advised that, to carry the proposal into effect, it would be desirable for the Company to rescind its present Articles of Association and adopt entirely new Articles, which would provide for transferring the whole control of the Company to New Zealand under a New Zealand board." Naturally the directors wish to learn the opinion of shareholders upon this drastic proposal, and they have this week been asked by circular to express their approval or disapproval.

The decision of the English shareholders seems to depend largely upon the degree of philanthropy they entertain toward their New Zealand brethren. True, they have nothing to lose by the change, and would have the satisfaction of knowing they benefit fellow-shareholders; but, on the other hand, many persons on this side would probably have a more comfortable feeling if the Company remained under English control as hitherto. It would be interesting to know the proportion of capital held in the United Kingdom and New Zealand respectively.

**Burma Corporation.**—Cabled advice under date August 27 reports: 171-foot level, south drive 238 feet east, from 60 feet to 80 feet, 27 oz. silver, 39 per cent. lead, and 30 per cent. zinc. South drive 105 feet east at 42 feet from centre of winze, from 5 feet to 45 feet, 49 oz. silver, 52 per cent. lead, and 23 per cent. zinc. No. 5 level, south drive 135 feet east, from 15 feet to 35 feet, 25 oz. silver, 28 per cent. lead, and 33 per cent. zinc.

## RAND DEVELOPMENTS.

**Crown Mines.**—Recent developments as under:—

	—M.P. Leader—			—South Reef—		
	Exposed Feet	Width Inches	Assay	Exposed Feet	Width Inches	Assay
1914, Mar. qr.	2,410	18	84.0	2,250	14	10.5
" June qr.	2,145	20	60.6	2,375	29	36.3
" Sept. qr.	2,000	20	60.0	1,500	20	34.0
" Dec. qr.	2,000	19	112.7	2,400	24	44.6
1915, Mar. qr.	2,410	18	79.10	2,820	25	37.3
" June qr.	3,000	17	146.9	3,100	20	47.1

(Continued on p. 357.)

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## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, August 25, 1915.

## Issue Department.

Notes Issued.....	£84,841,505	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	86,391,505
	£84,841,505		£84,841,505

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ...	£45,855,382
Reserve .....	3,638,767	Other Securities .....	142,137,286
Public Deposits.....	131,054,324	Notes .....	63,038,250
Other Deposits .....	89,465,037	Gold and Silver Coin .....	909,281
Seven-day and other Bills ..	28,031		
	£241,740,159		£241,740,159

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active	Cash	Deposits	Securities	Re-	Ratio	Bank	Three
	liation	Both	Public	Govt.	serve	Reserve	Rate	Months'
	Dept.	Depts.	Other	Other		to Li-	%	Bills
						abilities.		
1914.	£	£	£	£	£	%	%	%
July 29	29.7	38.1	12.7	64.4	11.0	47.3	28.9	40.03
1915.								
July 21	33.8	59.4	109.2	134.8	53.1	184.8	44.1	18.08
Aug. 28	33.5	60.9	177.6	95.5	53.1	192.2	45.8	18.77
Aug. 4	33.5	62.2	147.1	84.2	48.9	155.3	47.2	20.40
Aug. 11	32.5	65.7	142.6	85.1	45.9	148.1	51.7	22.71
Aug. 18	31.9	67.1	102.7	124.6	45.8	148.2	53.6	23.58
Aug. 25	31.8	67.3	134.1	89.5	45.8	142.1	53.9	24.13

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 6, 6%; Aug. 8, 5%

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.	£	£	£	£	%
Total to July 28	131,985,031	86,598,111	45,386,920	28,500,000	62.8
Week to Aug. 4	2,676,331	1,333,611	46,729,640	28,500,000	61.0
" 11	3,902,995	2,149,131	48,783,504	28,500,000	58.4
" 18	4,278,894	1,675,952	51,036,446	28,500,000	55.8
" 25	4,989,090	2,074,044	54,201,492	28,500,000	52.5

## II.—Balance Sheet, August 25, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound .....	40,449,172	Other Bankers	1,204,000
Ten Shilling .....	13,552,320	Trustee Savings Banks	469,000
Certificates outstanding...	200,000	Currency Note Redemption A/c—	
Investments Reserve A/c	308,163	Gold Coin and Bullion .....	28,500,000
		Government Securities .....	9,585,827
		Balance at Bank of England ..	14,750,828
Total .....	54,509,655	Total .....	54,509,655

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

1915.	Arrivals.	Withdrawals.
Aug. 19, Thursday ...	136,000 bars.	200,000 Foreign coin.
" 20, Friday ...	Nil.	155,000 bars.
" 21, Saturday ...	Nil.	81,000 Foreign coin.
" 23, Monday ...	Nil.	30,000 Straits.*
" 24, Tuesday ...	Nil.	Nil.
" 25, Wednesday ...	Nil.	7,000 Straits.*
Total for week ...	136,000	473,000
Net aggregate ...	[337,000 efflux for week.]	
Aug. 26, Thursday ...	873,000 bars.	101,000 Foreign coin.
" 27, Friday ...	Nil.	300,000 Misc. sovs.†
		5,000 Straits.*

\* Set aside on a/c Note Guarantee Fund Gold Portion.

† Set aside.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£29.1	£29.2	£29.2	£35.6	£31.8
Public Deposits .....	12.2	17.2	9.9	23.9	134.1
Other Deposits .....	43.8	45.4	44.4	123.9	89.5
Government Securities .....	18.7	13.4	12.4	29.8	45.6
Other Securities .....	29.2	36.4	27.6	104.9	142.1
Reserve .....	25.2	31.0	32.3	26.3	53.9
Ratio to Liabilities .....	46.3	49.46	59.64	17.83	24.13
Bullion (both Departments) ...	36.8	41.7	43.1	43.5	67.3
Money:—					
Bank of England Rate .....	2½	4	4½	5	5
Bank of France Rate .....	3	3	4	5	5
Rate 3 months' Bills London ...	1½	3½	3½	4½	4½
Exchanges:					
Paris Cheque .....	25 17	25 28½	25 25	nom.	27 50
Hamburg 8 days .....	20 46	20 45	20 43½	nom.	
New York 60 days .....	4 84½	4 84½	4 82 85	nom.	4 60½
Bombay Telegraphic Transfers	1 5½	1 4½	1 4	1 3½	1 3½
Prices:					
Consols 2½ % Cash .....	90½	75½	74½	69½	65
French Rente 3 % Money .....	99 75	92 75	88 72	75	68.50
Silver, London spot .....	-126½	-128½	-127½	-123½	-123½
Wheat, <i>Gazette</i> average .....	28.5	35.6	33.7	38.9	54.3
Cotton, Mid Upland .....	-15.89	-16.44	-16.92	-16.20	-15.50
Iron, Scotch pig .....	50/6	69/7½	62/0	57/3	71/6

## ARGENTINA.—Gold in Caja de Conversión.

July 28, 1915 .....	Pesos 231,214,520
July 21, 1915 .....	230,212,923
Dec. 31, 1914 .....	221,703,321
Dec. 31, 1913 .....	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversão.

July 3, 10 & 17, 1915 .....	£5,635,846
June 19 & 26 .....	5,972,149
Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	18,400,501
Feb. 19, 1913 (maximum)	26,772,361

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

† Last Return before the War.

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
May 31, 1915 ...	£5,947	£320	£6,267	£5,322	£2,294	£11,568	£555
June 30, 1915 ...	5,950	318	6,268	5,672	2,187	11,944	710
July 31, 1915 ...	5,948	300	6,248	4,579	2,087	11,352	649
July 31, 1914† ...	—	—	4,352	6,197	789	8,883	47
July 31, 1913 ...	—	—	4,153	4,778	1,181	8,193	39

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circula-tion.	Public Deposits.	Private Deposits.
Aug. 12, 1915 ...	£172,891	£14,714	£187,605	£10,789	£513,032	£3,598	£94,619
Aug. 19, 1915 ...	175,694	14,717	190,411	11,119	515,974	4,452	98,503
Aug. 28, 1915 ...	170,853	14,670	185,523	11,009	518,011	2,763	99,939
July 30, 1914† ...	165,654	25,013	190,667	97,768	267,327	15,302	37,903
Aug. 28, 1913 ...	137,911	25,323	163,234	59,156	216,412	13,542	32,910

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14† ...	£62,660	£13,741	£76,401	£2,248	£114,164	£145,471	£62,923
Aug. 14, '15 ...	120,218	2,308	122,526	12,493	237,084	289,439	87,778
Aug. 23, '15 ...	120,316	2,328	122,644	12,738	237,866	289,439	90,852
Aug. 22, '14 ...	76,489	3,317	79,806	7,905	238,939	199,998	130,988
Aug. 23, '13 ...	57,684	14,476	72,160	3,870	47,274	87,721	35,163

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	De-posits.
Aug. 1, 1914† ...	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437
Aug. 14, 1915 ...	31,349	172	31,521	5,370	7,762	42,471	3,128
Aug. 21, 1915 ...	31,500	199	31,699	5,442	7,634	42,279	3,363
Aug. 22, 1914 ...	13,510	67	13,577	15,407	11,234	36,574	2,737
Aug. 23, 1913 ...	12,260	765	13,045	5,539	6,913	24,843	376

ITALY.	Gold.	Cash-Silver.	Total.	Other Cash.*	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14† ...	—	—	—	£48,456	£25,017	£69,204	£8,887
July 10, '15 ...	£45,798	£4,657	£50,455	7,700	38,259	114,859	31,063
July 20, '15 ...	45,811	4,670	50,481	8,696	41,270	111,346	27,008
July 20, '14 ...	—	—	—	£48,338	21,006	66,445	8,182
July 20, '13 ...	—	—	—	49,333	20,099	64,695	8,419

\* Including foreign gold bills, State notes, and small change.

N. YORK BANKS & TRUSTS.	Own Vaults.	Reserve. In De-positories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
Aug. 1, '14† ...	—	—	89,888	£411,238	£387,185	£8,318	£1,720
Aug. 14, '15 ...	£91,884	£31,996	£123,880	£520,588	£511,688	7,492	35,116
Aug. 21, '15 ...	94,938	32,830	127,768	528,962	551,782	7,480	37,168
Aug. 22, '14 ...	—	—	77,519	425,805	382,510	17,703	Def. 8,544
Aug. 23, '13 ...	—	—	86,011	385,929	357,895	9,118	4,779

NORWAY.	Gold.	Balance Abroad.	For. Gov. Securities.	Discounts & Loans.	Circula-tion.	Deposits.
July 31, 1914†	£2,960	£1,678	£493	£4,868	£6,752	£793
Aug. 7, 1915 ...	3,408	3,603	637	4,161	7,856	1,482
Aug. 15, 1915 ...	3,434	3,627	637	4,103	7,856	1,354
Aug. 15, 1914 ...	3,163	1,527	493	6,583	8,098	1,265
Aug. 15, 1913 ...	2,432	1,794	503	3,931	5,894	414

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circula-tion.	Deposits.
July 21, '14†	£174,509	£7,383	£181,892	£6,589	£78,081	£163,411	£109,911
Aug. 6, '15 ...	187,246	5,224	172,470	5,553	319,389	383,947	139,144
Aug. 14, '15 ...	167,480	4,298	171,778	6,761	325,504	366,243	140,226
Aug. 14, '14 ...	172,167	6,316	178,483	7,894	120,219	232,106	121,116
Aug. 14, '13 ...	161,808	7,720	169,528	5,355	83,667	147,145	112,375

SPAIN.	Gold.	Cash-Silver.	Total.	Loans & Dis-counts.	Spanish 4 %	Circula-tion.	Deposits.
Aug. 1, '14†	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955
Aug. 14, '15 ...	28,285	29,531	57,816	41,038	13,777	80,899	26,495
Aug. 21, '15 ...	28,619	29,641	58,260	40,868	13,777	80,409	26,068
Aug. 22, '14 ...	21,815	27,422	49,237	46,628	13,778	79,925	21,032
Aug. 23, '13 ...	18,612	29,880	48,392	39,752	13,778	75,343	16,991

SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Discounts & Loans.	Circula-tion.	Deposits.
Aug. 1, '14† ...	£5,717	£6,150	£1,655	£7,495	£13,432	£3,903
Aug. 7, '15 ...	6,299	6,029	2,770	6,921	15,253	4,623
Aug. 14, '15 ...	6,299	5,098	2,757	6,558	15,197	4,529
Aug. 15, '14 ...	5,727	2,857	158	10,234	15,372	4,148
Aug. 16, '13 ...	5,703	3,624	1,264	7,380	11,362	2,848

SWITZER-LAND.	Gold.	Cash-Silver.	Total.	Discounts & Advances.	Circula-tion.	De-posits.
July 31, 1914†	£7,675	£238	£7,913	£10,391	£16,371	£3,128
Aug. 7, 1915 ...	9,605	2,288	11,891	7,631	15,931	4,450
Aug. 14, 1915 ...	9,610	2,330	11,940	6,811	15,734	4,121
Aug. 15, 1914 ...	8,252	270	8,522	12,537	17,431	3,381
Aug. 15, 1913 ...	6,760	1,267	8,027	4,740	10,702	2,261

## III.—PUBLIC INCOME AND EXPENDITURE

1915. Period	[000's omitted.]									
	Receipts					Expenditures				
	Revenue	Loans	Supply	Int. on	Debt Ad-	Treasury	Treasury	Balance	+ or -	Out-
	£	£	£	£	£	£	£	£	£	£
7 days to July 31	2,551	103,225	32,716	4,940	37,716	143,931	+65,509	245,884		
7 " Aug. 7	1,903	62,198	26,100	74,143	100,243	103,876	-38,055	236,322		
7 " Aug. 14	3,399	23,874	25,400	4,472	27,700	102,051	-3,825	237,919		
7 " Aug. 21	5,826	62,103	46,900	8,334	55,849	104,634	+6,593	239,294		
144 days to Aug. 21, 1915	80,487	735,604	454,254	256,197	710,451	108,604	+25,153*	+158,104*		
145 days to Aug. 23, 1914	62,966	96,371	7,009	15,676	91,685	15,120	+4,635*			

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

LONDON ON—	Aug. 16, '15	Aug. 19, '15	Aug. 12, '15	Aug. 5, '15
Holland ..... 3 mos.	11 17½	11 17	12 1	12 14
— Cable	11 66	11 62½	11 71½	11 75½
Italy ..... 3 mos.	30 60	30 35	30 37½	30 10
— Cable	30 05	30 30	30 10	29 70
Lisbon & Oporto do.	36	36½	35½	35½
New York ..... do.	4 8½	4 67½	4 75½	4 76½
— Cheques	4 64½	4 68½	4 76	4 77½
Paris ..... 3 mos.	28 15	27 82½	27 90	27 30
— Cable	27 74½	28 25	27 60	26 90
Petrograd ..... do.	136½	134½	135½	148
Scandinavia ..... do.	18 15	18 17½	18 30	18 35
Spain (Bank places) 3 mos.	46½	46½	46½	46½
— Cable	24 35	25 20	24 85	24 92½
Switzerland ..... 3 mos.	25 24	25 55	25 80	25 80
— Cable	20 07½	25 15	25 40	25 40

## Foreign Rates of Exchange on London, &amp;c.

	Aug. 27, '15	Aug. 20, '15	Aug. 13, '15	Aug. 6, '15
Alexandria ..... Sight	97½pt.	97½pt.	97½pt.	97½pt.
Amsterdam ..... Sight	118.65c.	118.65c.	118.75c.	118.75c.
Bombay ..... Transfers	1s. 3½d.	1s. 3½d.	1s. 3½d.	1s. 3½d.
Buenos Ayres ..... 90 days	48½d.	47½d.	48½d.	48½d.
Calcutta ..... Transfers	1s. 3½d.	1s. 3½d.	1s. 3½d.	1s. 3½d.
Christiania ..... Sight	18kr. 12½	18kr. 15	18kr. 30	18kr. 30
Copenhagen ..... Sight	18kr. 17½	18kr. 15	18kr. 30	18kr. 30
Hong Kong ..... Transfers	1s. 9½d.	1s. 9½d.	1s. 9½d.	1s. 9½d.
Italy ..... 30lr. 10c.	30lr. 10c.	30lr. 10c.	29lr. 72c.	
Lisbon ..... Sight	35½	36	35½	35½
Madrid ..... 24p. 85	25p. 00	24p. 85	24p. 82½	
Montevideo ..... 90 days	52½d.	52½d.	52½d.	52½d.
Montreal ..... Cables	64 63½	64 69	64 75½	64 77½
New York ..... Sight	64 63½	64 67½	64 71½	64 76½
— 60 days	64 59½	64 64	64 67	64 72½
— Cable	64 63½	64 68	64 72	64 76½
— on Paris	5 57½	5 81½	5 88½	5 95½
— on Berlin	81½	81½	81½	82½
— on Vienna	15 07½	15 10c.	15 12c.	15 12c.
— on Amsterdam	39½c.	40c.	40½c.	40½c.
— on Mexico	38c. U.S.	37c. U.S.	37c. U.S.	36c. U.S.
Paris ..... Cheques	27½ 64½	27½ 37½	28½ 87½	26½ 90c.
Petrograd ..... Sight	135½	134	138	147½
Rio de Janeiro ..... 90 days	12½d.	12½d.	12½d.	12½d.
Shanghai ..... Transfers	2s. 3½d.	2s. 3½d.	2s. 3½d.	2s. 2½d.
Stockholm ..... Sight	18kr. 12½	18kr. 15	18kr. 30	18kr. 30
Switzerland ..... Sight	25f. 05c.	25f. 12½c.	25f. 40c.	25f. 40c.
Valparaiso ..... 90 days	84d.	8½d.	81.	81.
Bar Gold, standard, per oz.	77s. 9d.	77s. 9d.	77s. 9d.	77s. 9d.
Bar Silver (.925) per oz.	23½d.	22½d.	23½d.	22½d.

\* Previous day's rates. † Foreign exchanges current in New York, according to cable advices from Irving National Bank of that city.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*
	1915.	£	£	£	%
BIRMINGHAM .. Aug. 21	1,578,201 +	287,652	55,759,444	+ 2,990,820 +	5.6
BRISTOL .. Aug. 21	744,000 +	234,000	25,932,000	+ 1,230,000 +	5.0
DUBLIN .. Aug. 21	3,605,506 +	657,200	124,774,000	+ 11,513,570 +	10.1
LEEDS .. Aug. 21	463,940 +	102,328	21,384,144	+ 1,410,048 +	23.9
LIVERPOOL .. Aug. 21	336,673 +	107,049	13,326,479	+ 2,931,961 +	28.2
LIVERPOOL .. Aug. 21	5,531,193 +	2,487,159	183,217,107	+ 24,367,142 +	15.3
MANCHESTER .. Aug. 21	6,112,834 +	2,153,791	223,709,057	+ 7,310,571 +	3.1
NEWCASTLE .. Aug. 21	1,771,000 +	594,000	49,771,305	+ 8,773,600 +	21.9
NOTTINGHAM .. Aug. 21	318,024 +	108,136	11,845,288	+ 822,253 +	6.5
SHEFFIELD .. Aug. 21	356,414 +	35,279	19,721,039	+ 2,238,984 +	12.8
LONDON—	1915.	[000's omitted from the London clearings]			
TOWN .. Aug. 25	216,838 +	99,284	7,014,373	+ 2,302,277 +	24.7
METROPOLITAN .. Aug. 25	14,759 +	2,513	616,959	+ 35,666 +	6.1
COUNTRY .. Aug. 25	22,276 +	6,644	1,013,586	+ 101,963 +	11.3
TOTAL .. Aug. 25	253,873 +	108,441	8,644,918	+ 2,164,648 +	20.0

The following special items are included in the London clearings:—

STOCK EXCHANGE	CONSOLS	"FOURTH" OF THE
SETTLING DAYS.	SETTLING DAYS.	MONTH.
1915	1915	1915
£	£	£
July 14	54,805	+ 44,030
July 29	38,882	- 63,446
Aug. 12	43,164	- 52,168
1915 Agg.	613,406	379,928
		372,230
		- 105,764

\* Compared with a year ago.

## VI.—FREIGHTS. — According to Messrs. Farrar, Groves &amp; Co., representative steam freight quotations compare as follows:

HOMEWARDS.	1915.	1914.	1913.	HOMEWARDS—cont.	1915.	1914.	1913.
Alex. to Lond. or Hull	21/8	11 8	U.S. Atl. Ports to U.K.				
Aust. to U.K. or Cont.	27/6	31 0	Cont. (grain)	8/9	France 2/9	2/9½	
Azoff to L.H.A.R.	—	13/9	N.O. to L.H. (cotton)	155 0			
Bombay to p.p. d.w. 51/31	19 0d.	23 6	N.O. to U.K. Cont. (gr.)	10 6	France 3/3	—	
Burmah o.c.	75/0	—					
Calcutta to p.p. d.w. 70/0	—	—					
Danube to A.R.	12 0	12 0	OUTWARDS.—Cardiff to				
Odesa to L.H.A.R.	—	12 6	Bom. Col. Port River St. Vin.				
River Plto to U.K. Cont.	62/8	15/3	bay. omba. Said. Place. cent.				
U.S. Atlantic Ports to	—	—					
L.H. (cotton)	—	45 0	1915.. 10/8	11/0	—	13/6	8/8
			1914.. 12/8	13/7½	8/8	19/6	9 3

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:

	AUG. 28.	1915.	1914.	1913.
METALS, MINERALS, &c.				
Iron—Scotch pig warrants	ton	71/6	57 3	62/0
— Middlebrook warrants	ton	85/4½	61 0	65/0
— Hematite warrants	ton	95/0	66 0	67 8
— Staffordshire bars, London	ton	£12	69	69 10
— Common bars	ton	£11 12 6	£7 17 6	27 12 6
— Stock, Middlebrook	tons	140 88½		19 95/0
Steel Rails	ton	£9 2/6	£8 15	£8 12 8
Copper—Standard	ton	£71 10	£58 10	£71 — 27 5
— Stock, Europe, etc., Aug. 14 tons	—	42-218	34-112	36-827
Tin—English ingots	ton	£154	nom.	£200 — £201
— Straits	ton	£162 15	nom.	£188 5
— Ceylon I.O.	box	19 0 — 18/3	nom.	13/0
Lead—Soft Foreign	ton	£22 15 — £22 17 6	nom.	£20 7/6
Spelter—Ord. Foreign	ton	£70 — £66	nom.	£21 2/8
Quicksilver—(75lb.)	bottle	£17	£7	£7 5
Aluminium	ton	£180 — £190	£32	£86 — £88
Antimony—Regulus	ton	nom.	£35 — £38	£28 10 — £31 10
Coal—Steam (best) Cardiff	ton	nom.	nom.	20 9
— (best) Newcastle	ton	20 0	14 0	15/6

CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical wvt.	ton	13/6	11/3	11/0
Soda—Crystals ex ship	ton	£2 2/6 — £2 5	nom.	£2 2/6 — £2 5
Cochineal—Tenerife Silver	lb.	1/9 — 1/10	2/0 — 2/3	1/10 — 2/0
Copra—Malay & Straits	ton	£23 12 8	—	£31 — £32 5
Gambier—Good marks	cwt.	32 8	18 10½	18 0
Indigo—Bengal coast to fine	lb.	12/6 — 15/6	4/6 — 4/8	3/0 — 3/6
Linseed Oil—Spot, barrels	ton	£29 15	£26	£25 17/8
Linseed—Calcutta, spot	410lb.	55/9		48 0
Oliver Oil—Spanish	ton	£50 — £51	nom.	£48 — £49
Palm Oil—Lagos	ton	£31	nom.	£37
Petroleum—American	gallon	7/9½	nom.	7/8½
Rape Oil—Refined English	ton	£38 — £39	nom.	£33
Soya Oil	ton	£22	£25	£28 12 6
Tallow—Aust. mixed	cwt.	34/6 — 39 0	28/6 — 32 6	35/3 — 35 9
Turpentine—Amer. Spirit	cwt.	34/9	34 0	29/9
Rape Seed—Toria	416lb.	52/6	51/6	48 0
Rubber—Para, spot	lb.	2/4½	2/10½	3/9
— Fine plantation (sm. drop)	lb.	2/3½	2/1½	2/7½
— World's Vissup (all kinds)	Mayton	19 08½	21 500	17 619
Shellac—T. N. Orange, fair	cwt.	63 0 — 64 0	53/0 — 59 0	60/0 — 61/0

TEXTILES.				
Cotton—Middling Upland	lb.	-5/50	-6/20	-6/92
— Egyptian cool fair	lb.	-7/40	7/90	-9/45
— Pernambuco, fair	lb.	-5/93½	-6/73	-7/08
— Mid. Upl. New York	lb.	9 50c.		12 70c.
— Stock, Liverpool, Aug. 20 sales	ton	1,305,160	909,620	613,710
Flax—Petrograd, Yarnol	ton	£82		£32 10
Hemp—N. Zealand, good fair	ton	£32 15	nom.	£30 10
— Manila, fair strips	ton	£23 15	nom.	£30 10
Jute—First Marks, spot	ton	£23 10	£35 10	£32 10
— Red S20	ton	£22	£31	£29 10
Silk—Blue Elephant	ton	9 0	11 8 — 11 9	10/9 — 11/0
Wool—1st. Philip unwashed av. lb.	lb.	1/0 — 1/1	-11/1 — 1/0	-11/1 — 1/0
— Lincoln Hair Hoes	lb.	1/8	-11/1 — 1/0	1/0 — 1/1
Hides—English Ox, 90lb. cover lb.	lb.	9½ — 9½	6½ — 7½	6½ — 7½
Leather—Dressing Hides	lb.	2/1 — 2/7		1/5 — 1/10

VEG. FOOD, CORN, &c.				
Wheat—Viscup, U.S. Aug. 23 bus.	bus.	8 113,000	33,214,000	45,449,000
— Red, price, N.Y. 60lb.	bushel	108½	101½	97c.
— English Galtie, aver. 480lb. qr.	qr.	54/3	38 9	33 7
Flour—Lond. Whites ex Mill 280lb.	qr.	46 0	36 6	30 6
Barley—Eng. Galtie, aver. 400 lb. qr.	qr.	39 4	29 10	28 5
Oats—Eng. Galtie, aver. 312lb. qr.	qr.	31 4	24 3	18 8
Malze—N.Y. (new bushel) 56lb.	nom.	91c.	83c.	93c.
— Amer. mixed, Liverpool 100lb.	ton	8 11 — 9 0	8 04	8 11
— La Plata	480lb. qr.	32/3	28 0 — 32 9	24/8
Potatoes—Kent	ton	75/0	80 0	80 0
Rice—Imports since Jan. 1	tons	29,749	13,886	8,671
— Deliveries do.	tons	19,740	9,312	11,005
— Stock	tons	16,983	9,269	6,031
— Price, Bassee	cwt.	17/0	6/10 — 7/14	8/0 — 8/4
Taploca—Pearl, medium	cwt.	17/6 — 21/0	15/0 — 17/6	17/0 — 20/0
Hay—Best	2,016lb. load	110 0 — 120 0	87/0 — 97/0	95 0 — 108/0
Hops—English	cwt.	26 — 26 10	26 5 — 27	25 10 — 26 10

ANIMAL FOOD.				
Beef—Arzen chilled but prs.	8lb	6 0—6 4	4/4—4 10	3/2—3/7
— Scotch sides	8lb	6 6—6 8	4/8—5 4	4/6—4 8
— English	8lb	6 0—6 5	4 4—4 8	3/8—4 2
Mutton—Scotch	8lb	8 0—8 4	5/8—6 0	4/10—5 0
— English wethers	8lb	5 8—6 2	4 8—5 4	4 4—5 0
— New Zealand frozen	8lb	4 8—5 0	3/0—3 6	2/8—2 11
Pork—English	8lb	6 0—6 2	3 6—4 2	4 8—5 2
Bacon—Irish	cwt.	101 0—105 0	86 0—90 0	75 0—82 0
— Danish	cwt.	102 0—105 0	81 0—87 0	70 0—80 0
Hams—Amer. long cut	cwt.	68 0—76 0	80 0—84 0	72 0—90 0
— short cut	cwt.	68 0—76 0	80 0—84 0	74 0—79 0
Lard—Amer. pale	cwt.	45 3—46 9	82 0—65 9	58 0—58 9
Butter—Danish	cwt.	165 0—169 0	126 0—132 0	120 0—122 0
— Siberian	cwt.	113 0—138 0	116 0—122 0	84 0—102 0
— French	cwt.	120 0—148 0	112 0—128 0	90 0—108 0
— New Zealand	cwt.	—	106 0—122 0	94 0—110 0
— Australian	cwt.	—	70 0—74 0	—
Cheese—Canadian	cwt.	70 0—74 0	70 0—72 0	61 0—68 0
— New Zealand (white)	cwt.	71 0	70 0—74 0	—

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Bel. & O. Down	Aug. 20	80	—	£4,111	+ 163	33	125,204	+ 10,737
Cork, Ban. & S.O.	Aug. 20	103	—	2,480	+ 35	33	88,423	+ 3,188
Dublin & S.E.	Aug. 20	180	—	6,586	+ 618	33	181,243	+ 2,537
Gt. Northern	Aug. 20	681	—	24,275	+ 75	33	758,085	+ 20,035
Gt. S. & Western	Aug. 20	1,130	—	35,415	+ 3,408	33	1,072,732	+ 82,005
Mid. Gt. West.	Aug. 20	638	—	14,518	— 493	33	417,762	+ 11,302

\* \* On August 6, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross. Rupees.	+ or -	Wks	Total. Rupees.	+ or -
Assam Bengal	July 17	862	+11	1,10,000	— 5,237	16	20,41,079	+ 51,408
Barel Light	July 17	118	—	17,000	+ 1,000	16	3,45,100	+ 1,31,900
Bengal & N.W.	July 17	2,041	+13	3,29,740	+ 32,255	16	60,70,218	+ 8,44,979
Bengal Doorga	July 24	163	—	35,940	+ 5,907	17	4,31,222	+ 34,565
Beng. Nagpur	July 24	2,885	+ 7	7,67,000	+ 1,38,000	17	1,32,57,000	+ 30,000
Bomb. Baroda	Aug. 21	2,859	+32	9,50,000	+ 12,000	21	2,38,77,000	+ 7,12,000
Burma	July 17	1,342	—	13,18,966	— 53,074	16	61,30,250	+ 10,91,024
East Indian	Aug. 21	2,718	—	17,89,000	+ 1,83,000	21	4,29,50,000	+ 3,66,000
Gt. Indian Pen. Ang.	21	2,981	+15	13,64,500	+ 2,69,800	21	3,18,30,944	+ 4,53,098
Madras & S.M.	July 24	3,132	—	8,00,000	+ 59,485	17	1,54,84,520	+ 2,65,374
Nizam's Guar.	July 24	797	—	1,79,356	+ 8,583	17	32,09,482	+ 6,07,804
Roh. & Kumaon	July 10	560	+18	71,980	+ 6,742	15	11,51,934	+ 48,273
South Indian	July 24	1,763	+10	5,05,723	+ 42,781	17	93,24,916	+ 5,13,567
South Punjab	M. of Mar.	923	—	6,89,429	+ 1,15,571	6†	37,46,996	+ 6,23,212

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Can. Northern	Aug. 21	4,985	+295	\$286,500	— 21,100	7	2,001,500	+ 574,300
Can. Pacific	Aug. 21	12,921	+694	1,956,000	— 198,000	7	13,005,000	+ 4,029,000
Gd. Trk. Pac.	Aug. 21	916	—	\$11,499	— 6,334	7	79,589	+ 41,194
Grand Trunk	Aug. 21	4,008	—	172,550	+ 10,098	33	5,040,041	+ 485,503
Grd. Trunk W.	Aug. 21	336	—	31,130	— 493	33	937,253	+ 9,636
Det. Grd. Ha.	Aug. 21	189	—	12,278	+ 1,552	33	335,723	+ 16,333
Mashonaland	M. of June	761	—	45,729	+ 14,891	9†	350,219	+ 217,626
M. W. Aust. M. of June	27†	—	—	4,913	+ 4,545	12†	98,694	+ 48,528
New Cape Cent.	July 31	205	—	1,680	+ 203	31	5,63,385	+ 1,015
Rhodesia Rlys.	M. of June	1,397	—	69,940	+ 14,563	9†	553,075	+ 215,525

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Alcoy & Gandia	Aug. 21	33	—	Pa. 9,500	+ 1,500	34	424,700	+ 28,750
Antofagasta	Aug. 22	819	—	\$ 26,940	+ 3,110	34	769,535	+ 410,509
Aranco	M. of June	844	—	\$ 6,250	— 712	6†	37,875	+ 10,874
Arg. N. East.	Aug. 21	752	+ 85	7,629	+ 3,229	8	47,553	+ 9,283
Arg. Transand.	July 24	111	—	\$ 150	— 120	4	630	+ 720
Bolivar	M. of July	110	—	\$ 7,000	+ 505	1†	15,963,000	+ 804,584
Paulista	M. of May	3,382	—	M. 3,282,000	+ 17,244	5†	8,850,000	+ 101,324
Mogiana	M. of May	721	—	M. 1,600,000	+ 238,338	5†	7,833,000	+ 261,381
B.A. & Pacific	Aug. 21	3,635	+ 29	\$ 81,000	+ 39,000	8	612,000	+ 98,000
B.A. Gt. So.	Aug. 22	3,792	+ 63	\$ 83,000	+ 26,000	8	698,908	+ 31,967
B.A. Western	Aug. 22	1,867	+ 75	\$ 43,000	+ 18,000	8	326,000	+ 47,000
Cent. Argentine	Aug. 21	3,307	+ 45	\$ 107,000	+ 34,000	8	850,200	+ 108,200
Cent. Uruguay	Aug. 21	271	—	\$ 9,958	+ 3,005	8	77,181	+ 9,848
" (B. Ext.)	Aug. 21	311	—	\$ 3,308	+ 1,497	8	25,037	+ 5,492
" (N. Ext.)	Aug. 21	185	—	\$ 1,727	+ 598	8	13,574	+ 1,702
" (W. Ext.)	Aug. 21	211	—	\$ 1,512	+ 720	8	10,175	+ 1,478
Colomb. Nat.	M. of May	86	—	\$ 6,512	+ 2,928	5†	47,412	+ 1,155
Col. Rys. & Nav.	M. of May	854	—	\$ 19,809	+ 6,677	11†	224,066	+ 52,213
Cord. Central	Aug. 21	1,186	—	\$ 35,150	+ 640	8	276,760	+ 5,790
Cuban Central	Aug. 21	354	+ 9	\$ 8,528	+ 1,794	8	55,253	+ 5,671
Dorada Ext.	M. of July	71	—	\$ 8,500	+ 2,500	7†	53,000	+ 6,600
Egyptian Delta	July 31	619	—	\$ 4,312	+ 1,716	16	47,684	+ 23,215
Entre Rios	Aug. 21	730	—	\$ 9,100	+ 3,800	8	65,600	+ 5,600
Gt. S. of Spain	Aug. 14	104	—	\$ 70,787	+ 5,778	33	1,809,027	+ 388,767
Gt. W. Brazil.	Aug. 21	1,010	—	\$ 7,100	+ 1,500	34	328,800	+ 102,800
La Guaira & Ca.	M. of July	23	—	\$ 6,750	+ 2,250	7†	49,000	+ 19,500
Leopoldina	Aug. 21	1,808	+ 54	\$ 28,699	+ 8,671	34	950,718	+ 93,932
Manila North	Aug. 21	315	+ 10	\$ 3,213	+ 965	34	186,284	+ 38,077
" South	Aug. 21	286	+ 91	\$ 3,331	+ 694	34	128,300	+ 11,361
Mid. Uruguay	M. of June	319	—	\$ 10,632	+ 680	12†	113,751	+ 14,636
Nitrato (Zwika)	Aug. 15	366	—	\$ 16,485	+ 1,942	33	185,664	+ 249,959
N.W. Uruguay	M. of July	113	—	\$ 21,500	+ 683	1†	2,985,000	+ 1,094,000
Paraguay Cent.	Aug. 21	255	—	\$ 461,000	+ 236,000	8	2,985,000	+ 1,094,000
Peruvian Corp.	M. of June	1,059	—	\$ 724,838	+ 262,661	6†	23,158	+ 1,342
Puerto Cabello	M. of June	24	—	\$ 3,300	+ 60	6†	177,750	+ 24,084
San Paulo	Aug. 21	100	—	\$ 23,250	+ 5,750	8	268,913	+ 38,616
Taitai	M. of July	163	—	\$ 46,870	+ 28,120	7	177,797	+ 29,138
U. of Havana	Aug. 21	184	—	\$ 8,160	+ 16,388	1†	18,163	+ 7,862
Urg. Northern	M. of June	881	—	\$ 23,288	+ 4,920	8	39,219	+ 6,219
W. of Havana	Aug. 21	73	—	\$ 1,936	+ 132	12†	43,248	+ 42,578
Zafra & Hiva	M. of June	112	—	\$ 7,061	+ 8,058	6†		

## TRAMWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Anglo-Argentine	Aug. 19	369	+21	\$ 50,932	+ 6,241	33	1,684,807	+ 135,699
Auckland (wks.)	July 30	25†	—	\$ 20,408	— 374	4		
Brazil'n Traction	M. of June	—	—	\$ 6,591,940	+ 403,040	6†	37,684,110	+ 1,239,922
Brisbane El. Tric.	M. of July	30	—	\$ 31,160	+ 1,470	7†	209,650	+ 151,992
Bristol	Aug. 21	31	—	\$ 10,279	+ 1,503	33	315,517	+ 25,011
British Columbia	M. of June	242	+ 5†	\$ 498,093	+ 162,290	12†	7,308,583	+ 1,482,724
Calcutta	Aug. 21	36†	—	\$ 66,538	+ 762	34	21,88,841	+ 99,310
Cape Electric	July 42	35	—	\$ 17,322	+ 2,649	1†	12,805	+ 3,407
Cart. & Herr.	M. of July	9	—	\$ 2,167	+ 259	7†	36,102	+ 1,67
Cork Electric	Aug. 19	9†	—	\$ 1,048	+ 61	33	201,914	+ 5,757
Dublin United	Aug. 20	64	—	\$ 6,348	+ 39	33	1,676,577	+ 87,290
Havana Electric	Aug. 1	—	—	\$ 51,036	+ 2,148	31	18,535	+ 9,675
Ile of Thanet	Aug. 21	27†	—	\$ 1,079	+ 122	48	13,472	+ 642
Kalgoolie	M. of May	20†	—	\$ 3,269	+ 244	5†	63,252	+ 1,61
Lenarkshire	Aug. 19	28†	—	\$ 2,179	+ 234	33	858,379	+ 28,043
London O.O.	Aug. 18	141	—	\$ 46,092	+ 2,739	20	436,280	+ 171
Madras Electric	Aug. 15	—	—	\$ 30,869	+ 2,529	33	487,763	+ 119,837
Manila Electric	M. of July	—	—	\$ 123,760	+ 10,160	7†	89,408	+ 9,350
Provincial	Aug. 21	21†	—	\$ 2,768	+ 346	48	34,374	+ 2,935
Rangoon Electric	M. of July	25	—	\$ 4,629	+ 96	7†	251,853	+ 31,810
U. of Montevideo	M. of July	90	—	\$ 25,161	+ 1,256	9†	53,860	+ 3,936
Yorks. W. Rdng.	Aug. 22	24†	—	\$ 1,695	+ 257	34		

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 247,747 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (M) Miles. (†) Compared with previous year. (†) Months. (†) Track miles. (†) Includes Detroit, Grand Haven and Milwaukee Railway. (†) No. of cars. (††) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -	
483 Cos. (000's omitted)	May	(e) \$244,893	+	\$1,325	\$71,958	+ \$14,619
	11 mos.	(f) 2,688,666	+	155,995	482,714	+ 10,448
Alabama Gt. Southern	June	392,000	-	39,000	107,000	+ 48,000
Ala. New Or. Tex. & Pac.	June to June	4,776,000	-	649,000	1,123,000	- 34,000
Ala. & Vicksburg	June	125,000	-	22,000	12,000	- 10,000
12 mos.	June to June	1,523,000	-	375,000	133,000	- 113,000
New Orleans & N.E.	June	297,000	-	35,000	70,000	+ 24,000
12 mos.	June to June	3,664,000	-	568,000	674,000	+ 66,000
Vicks. Shreve. & Pac.	June	120,000	+	4,000	8,000	- 6,000
12 mos.	June to June	1,417,000	+	424,000	72,000	- 228,000
Atchison, Top. & S. Pe.	June	9,952,000	+	680,000	2,950,000	+ 378,000
12 mos.	June to June	117,665,000	+	6,555,000	36,051,000	+ 3,937,000
Atlantic Coast Line	June	2,327,000	+	524,000	412,000	- 63,000
12 mos.	June to June	31,536,000	+	6,295,000	7,043,000	- 2,016,000
Baltimore & Ohio	July	8,871,000	+	524,000	3,077,000	+ 805,000
12 mos.	June to June	91,815,000	+	7,349,000	27,891,000	+ 3,130,000
Canadian Northern	July	1,208,100	-	388,200	285,100	- 145,400
12 mos.	June to June	17,225,000	+	6,475,000	4,828,700	- 1,623,000
Canadian Pacific	June	7,512,000	-	2,642,000	2,678,000	- 657,000
Chesapeake & Ohio	June to June	98,865,000	-	30,550,000	33,675,000	- 8,851,000
12 mos.	June to June	3,636,000	+	409,000	1,194,000	+ 237,000
Chicago & N. Western	June	89,463,000	+	2,004,000	11,908,000	+ 862,000
12 mos.	June to June	7,247,000	+	618,000	2,293,000	+ 236,000
Chic. Burl. & Quincy	May	83,580,000	+	4,290,000	22,601,000	- 554,000
11 mos.	June to May	6,957,000	+	306,000	1,640,000	+ 431,000
Chicago Great Western	May	83,864,000	+	2,238,000	28,499,000	+ 208,000
11 mos.	June to May	1,088,000	-	10,000	208,000	+ 15,000
Chic. Mil. & St. Paul	June	12,739,000	+	445,000	3,092,000	- 50,000
12 mos.	June to June	7,811,000	+	44,000	2,923,000	+ 588,000
Chic. Rock I. & Pacific	June	91,433,000	+	2,178,000	24,717,000	+ 1,900,000
12 mos.	June to June	5,654,000	+	550,000	644,000	+ 576,000
Ch. St. P. Min. & Omaha	June	70,612,000	+	2,266,000	13,629,000	+ 326,000
12 mos.	June to June	1,465,000	-	68,000	412,000	- 2,000
Clev. Cin. Chic. & St. L.	June	18,197,000	+	373,000	6,074,000	+ 312,000
6 mos.	June to June	2,985,000	+	30,000	449,000	- 49,000
Colorado & Southern	June	17,043,000	+	459,000	2,810,000	+ 2,367,000
12 mos.	June to June	1,008,000	+	22,000	150,000	- 124,000
Cuba Railroad	June	14,090,000	+	868,000	3,463,000	+ 625,000
12 mos.	June to June	457,000	+	25,000	258,000	+ 80,000
Delaware & Hudson	June	6,207,000	+	42,000	2,727,000	+ 257,000
6 mos.	June to June	1,914,000	+	56,000	700,000	- 23,000
Denver & Rio Grande	June	10,782,000	+	33,000	3,622,000	+ 47,000
12 mos.	June to June	1,866,000	+	41,000	647,000	+ 155,000
Erie Railroad	June	21,923,000	+	1,852,000	6,511,000	+ 388,000
6 mos.	June to June	5,438,000	+	125,000	1,545,000	+ 27,000
Grand Trunk Railway	June	29,615,000	+	1,171,000	6,332,000	+ 557,000
6 mos.	June to June	777,700	-	633,400	628,140	+ 328,000
Grand Trunk Western	June	4,047,150	-	373,200	1,011,650	+ 800
6 mos.	June to June	129,000	+	4,600	28,700	+ 21,900
Great Northern	June	714,300	+	6,750	19,700	+ 27,400
12 mos.	June to June	67,194,000	+	9878,000	32,091,000	+ 179,000
Hocking Valley	June	134,300	+	9,689,000	30,334,000	+ 1,253,000
12 mos.	June to June	513,000	+	36,000	181,000	+ 25,000
Illinois Central	June	6,181,000	+	840,000	1,997,000	- 221,000
12 mos.	June to June	4,881,000	+	400,000	481,000	- 382,000
Kansas City Southern	June	62,111,000	+	4,261,000	10,879,000	- 861,000
12 mos.	June to June	831,000	-	114,000	321,000	- 10,000
Lehigh Valley	June	10,035,000	+	935,000	2,933,000	- 509,000
12 mos.	June to June	3,734,000	+	152,000	1,029,000	+ 11,000
Louisville & Nashville	June	42,628,000	+	565,000	12,578,000	+ 496,000
12 mos.	June to June	4,176,000	+	282,000	811,000	+ 10,000
Michigan Central	June	51,607,000	+	8,301,000	10,029,000	- 2,264,000
6 mos.	June to June	3,118,000	+	221,000	1,016,000	+ 280,000
Min. St. P. (Soo) System	June	16,558,000	+	296,000	3,323,000	+ 603,000
12 mos.	June to June	2,056,000	+	187,000	550,000	+ 81,000
Miss. Kansas & Texas	June	27,765,000	+	1,543,000	8,149,000	- 24,000
12 mos.	June to June	2,379,000	+	44,000	469,000	- 198,000
Missouri Pacific	June	32,899,000	+	1,018,000	9,931,000	+ 1,240,000
11 mos.	May to May	4,634,000	-	107,000	778,000	+ 118,000
New York Central	June	53,664,000	+	1,628,000	11,062,000	- 1,027,000
6 mos.	June to June	13,907,000	+	675,000	4,854,000	+ 1,879,000
N. Y. N. Haven & Hartford	June	76,653,000	+	2,400,000	18,331,000	+ 6,632,000
12 mos.	June to June	6,328,000	+	482,000	2,883,000	+ 1,553,000
N. Y. Ontario & Western	June	63,379,000	+	2,073,000	18,733,000	+ 1,077,000
12 mos.	June to June	715,000	-	113,000	185,000	- 90,000
Norfolk & Western	June	8,927,000	-	325,000	2,141,000	+ 40,000
12 mos.	June to June	4,330,000	+	688,000	1,559,000	+ 424,000
Northern Pacific	June	42,988,000	+	1,663,000	13,277,000	+ 381,000
12 mos.	June to June	5,336,000	+	474,000	2,104,000	- 203,000
Pennsylvania System	June	63,172,000	+	7,277,000	21,550,000	+ 783,000
W. of Pittsburgh	June	21,501,000	+	425,000	5,801,000	+ 684,000
6 mos.	June to June	112,762,000	+	3,916,000	19,933,000	+ 1,161,000
W. of Pittsburgh	June	10,109,000	+	206,000	2,655,000	+ 357,000
6 mos.	June to June	62,017,000	+	1,937,000	8,810,000	+ 941,000
Pitte. C. O. & St. Louis	June	3,328,000	-	9,000	685,000	- 39,000
6 mos.	June to June	18,439,000	-	727,000	3,081,000	+ 123,000
Phila. & Reading Ry.	May	4,082,000	-	141,000	1,300,000	- 48,000
11 mos.	May to May	43,405,000	-	3,178,000	13,340,000	- 1,122,000
Phila. & R. Coal & Iron	May	2,297,000	-	635,000	Dr. 109,000	- 210,000
11 mos.	May to May	28,124,000	-	2,694,000	438,000	- 345,000
St. L. & San Francisco	May	3,412,000	+	148,000	946,000	+ 700,000
11 mos.	May to May	39,560,000	+	1,943,000	11,219,000	+ 1,744,000
Seaboard Air Line	June	1,629,000	-	324,000	397,000	- 154,000
12 mos.	June to June	21,280,000	-	4,140,000	5,296,000	- 1,661,000
Southern Pacific	July	12,693,000	+	1,330,000	4,593,000	+ 1,311,000
12 mos.	June to June	129,866,000	+	8,656,000	36,689,000	- 2,006,000
Southern	June	4,744,000	-	489,000	1,139,000	+ 368,000
12 mos.	June to June	62,200,000	-	8,651,000	13,400,000	- 2,211,000
Union Pacific	June	7,327,000	+	37,000	2,826,000	+ 286,000
12 mos.	June to June	86,958,000	+	6,157,000	30,180,000	+ 1,446,000
Wabash	June	2,321,000	-	34,000	211,000	+ 18,000
12 mos.	June to June	29,083,000	-	1,117,000	5,904,000	+ 341,000
Western Pacific	June	615,000	+	91,000	232,000	+ 102,000
12 mos.	June to June	8,708,000	+	643,000	1,283,000	+ 212,000



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# The Statist.

LONDON, SATURDAY, AUGUST 28, 1915.

## THE AMERICAN EXCHANGE.

THE AMERICAN  $\pounds$ 1 exchange on London, after recovering last week to 4 67 $\frac{1}{2}$ , has fallen again to 4 63 $\frac{3}{4}$ ; this is a discount of nearly 23 cents, or about 5 per cent. Until measures are taken either to reduce our purchases of American goods or to obtain credits in the United States, a very low exchange is inevitable. Normally at this time of year American exports begin to expand, while imports remain light, the influence of the harvest upon imports being slower than upon exports. Nevertheless, in ordinary years the expansion of exports has practically no effect upon the rate of exchange, as America is usually in debt to this country at the end of the summer for a very large sum of money in consequence of the expenditures by American tourists on this side, for which remittances are not made until the autumn, when great shipments of cotton and wheat soon put matters right. It will be remembered that last year at this time it was calculated that the United States owed to Great Britain a sum of £60,000,000 on current account over and above the sum that was owed by Great Britain to the United States, and that this debt had been incurred largely in connection with tourist and kindred expenditures. In the current year the expenditures of American tourists in Europe have been very small, and, at the same time, our own purchases of American goods have been very heavy. If American visitors had spent as much money as usual in Europe this year, not much difficulty would have been experienced in providing all the exchange needed to pay for Europe's great purchases from America. As it is, we are entering the autumn in debt to the United States, instead of with the usual credit balance. And with this situation the exports of American goods to this country, to France, and to Italy are unusually great. Exactly how much money Great Britain, France, and Italy owe to the United States at the present time cannot be calculated, but, taking into account the considerable amount of American securities sold by Europe in recent months, and the heavy shipments of gold from Ottawa to New York, it is believed that the amount at present is not important, and that no difficulty will be experienced in cancelling the debt by exports of gold and by moderate sales of American securities. But were the existing situation rectified in this way, the rectification would be a temporary one, and in a very short time our great purchases of American goods usual in the fall of the year, plus the additional quantities of goods we are now buying, would soon create against us a fresh balance of exchange of large amount. Hence it is of great importance that the British people should know where they stand and what must be done to place matters on a permanent basis. No difficulty would arise, of course, in bringing about a very large contraction in the British and French demand for

American goods. That would be the easiest and simplest way out of the situation. But, of course, wealthy nations do not take such action unless they are forced to do so, any more than a wealthy person denies himself something that he wishes to buy. Of course if he experiences any difficulty in obtaining an object he desires to purchase he denies himself and goes without it.

The current low rate of exchange is largely due to the uncertainty which exists as to whether Great Britain and France can go on buying as freely as they are now doing from the United States, or whether it is essential that the British people should curtail their expenditures, and by so doing rectify the exchange. It is, of course, obvious that the British people cannot pay in goods for the great quantities of American goods they are now purchasing. First, because the American people do not wish to buy British goods; and, second, because the manufacturing power of Great Britain is not great enough to enable the British people to buy all the goods they desire to purchase at the present time by means of their own exports.

In ordinary times the situation is the reverse. Usually the British people desire to purchase many fewer goods than they can afford to buy by means of the goods they export, the services they render to other nations, and the interest they receive on the capital they have invested abroad. Indeed, foreign nations cannot pay Great Britain for all the goods she exports, and the British people willingly accept payment in securities for goods supplied in excess of the power of customers to pay for them. This has been the attitude of the British people towards the United States almost from the time the first persons emigrated from Europe to America. These emigrants desired to buy more goods from Great Britain than they could afford to pay for out of their own productions, and the British people sent them the goods they wished for, and took payment partly in American goods and partly in American securities. As time went on, and America became more and more wealthy, the quantity of goods available for export from the United States steadily expanded, and became sufficient to pay for all the goods purchased by the United States, but they were still insufficient to pay for the interest the American people owed to other lands for their great tourist expenditures and their generous gifts to friends in Europe. Accordingly, Europe in general, and Great Britain in particular, continued to provide the United States with whatever balance of money they needed for these purposes by purchasing securities from them. Even now that the United States have become so great and so wealthy, the American people provide themselves, by loans from England, with some of the money they need to purchase goods and services.

Thus, in the year ended June 1914, just prior to the War, the exports of the United States amounted to \$2,365,000,000, while their imports reached \$1,894,000,000, and there was an excess of exports over imports of \$471,000,000. Beyond this they exported gold on balance to the extent of \$45,000,000, and silver to the value of \$25,000,000, so that the total excess of exports over imports amounted to about \$540,000,000. But, with the country as prosperous as it was then, the United States needed something like \$750,000,000 to provide for interest on foreign capital employed in the country, for the expenditures of American visitors to Europe and elsewhere, for gifts to friends and for other purposes, and, notwithstanding an excess of exports over imports of some \$540,000,000, the country borrowed from abroad by sales of securities something like \$200,000,000, or £40,000,000 in the twelve months.

In brief, the normal method by which America has been able to make payments abroad for the goods she has desired to purchase, and the foreign services she has wished to enjoy ever since she became a civilised country, has been exports of goods

and loans of money obtained from Europe in general and from Great Britain in particular.

In this time of war, however, everything is reversed. The debtor nations have become creditor nations, and the creditor nations have become debtors; and instead of Great Britain lending large sums of money from year to year to the United States, in order that the latter might buy the goods and services they wished to buy and were entitled to buy, having regard to their great wealth and good credit, Great Britain now desires to purchase more goods than she can pay for by her exports of goods and by her services. Whether or not she will be able to buy the goods she wishes to purchase does not, of course, depend upon herself alone. The American people could not have bought the goods they desired to buy, or to pay for the services they wished to obtain, if the British people had not been willing to lend large sums of money to them. So at the present time the British people cannot buy the things they desire to buy, except to the extent they are able to pay for them by goods and services, unless the American people from whom they wish to buy are willing to take payment in securities for some of the goods they sell. The present fall in exchange is simply due to the uncertainty which exists as to whether or not Great Britain and her Allies can purchase all the goods they wish to purchase from the United States by paying for some of them in securities. When this matter is definitely settled Great Britain will either go on purchasing the great quantity of goods she is now buying, and will pay for them by securities in part, or will reduce her purchases. In either event, the exchange situation will be rectified, and the value of the sovereign in American dollars will be restored to par.

The greatness of the foreign purchases of American goods is reflected in the trade of America in the past twelve months. In this period the imports of goods into the United States have been of the value of only \$1,674,000,000, while the value of the goods exported by the United States has been no less than \$2,768,000,000, a balance in favour of the States of nearly \$1,100,000,000. Of this balance, however, about \$500,000,000 have been needed by America to meet interest, tourist, and other expenditures, and on account of the past year America has taken payment for about \$600,000,000 in securities. It will be realised that these securities have been sold to the States not merely by Great Britain, but by France, Russia, Germany, and other European countries. At present the trade balance in favour of America is at the rate of appreciably over \$100,000,000 a month. And the excess in the coming months is likely to be much larger. Indeed, if America is willing to take payment for some of her exports in securities, it is possible, indeed probable, that in the twelve months to June next the value of her exports may reach nearly \$4,000,000,000, against imports of less than \$2,000,000,000, and that on balance the country will have to receive from Europe a sum of no less than \$2,000,000,000, or £400,000,000. Of this amount America will need only about \$400,000,000 to meet her payments to other lands for interest and services, leaving a balance of some \$1,600,000,000 to be paid for in securities or in gold. The size of America's exports will, however, be limited by the amount of securities the American people will purchase. If they are willing to purchase only a small quantity of securities or none at all, then it is obvious that America's exports will not only not reach \$4,000,000,000, but may not be as great as they were in the past twelve months, when America took payment in securities of one kind and another for exports amounting to some £120,000,000. We anticipate that the American people will prefer to take securities in payment for the goods they export rather than keep those goods at home eating up money in warehouse accommodation and in interest.

The Commission that will shortly visit the United States to settle the exchange difficulty will, it is now generally believed, consist of Lord Reading, the Lord Chief Justice of England; Sir Edward Holden, Bart., Chairman of the London City and Midland Bank; and Sir Henry Babington Smith, who is an old member of the Civil Service; and the arrangement which this Commission will make will probably govern the question of whether the American exchange difficulty is to be permanently settled by a reduction in British purchases of American goods, or whether it will be settled by the willingness of the American people to take payment in securities for that part of their exports that cannot possibly be paid for in any other way.

As we stated last week, the problem of settling the existing exchange situation is a very easy one. If necessary we can settle it without difficulty by sending sufficient gold for the purpose. It would not be difficult, indeed, for the Allied countries to send out a very large amount of gold. But it will be realised that while gold shipments can and ought to be made for the purpose of settling any temporary adverse trade balance, the level of a nation's recurring expenditures cannot be based upon continuous gold shipments, especially if such a course is not absolutely essential. At the present time such a course is not essential. The British people hitherto have gone on living much in their ordinary way. Indeed, great masses of the people are spending money with greater freedom upon the everyday things of life than ever before. No great difficulty would be experienced in inducing the British people to curtail their consumption of foreign produce if difficulty were to arise in making payment for it. It is for the American people to decide whether the great mass of the British people are to continue their consumption at anything near to the present rate, or whether the American exchange position is to be settled by the more economical expenditures of the great mass of the people of this country upon both comforts and necessities. According to the returns of American trade, Great Britain's purchases of American goods in the past twelve months have reached £188,000,000, against about £122,000,000 in the previous twelve months; while the imports from the United Kingdom into America in the past twelve months are returned at about only £52,000,000, against £60,000,000 in the previous year. This is the situation after including as imports from the United Kingdom a large quantity of foreign goods that are merely re-exported from England. If only purely British goods are taken into account, the excess of British imports of American goods over the exports of British goods to America would greatly exceed £136,000,000. Whether Great Britain buys more or less than this amount on balance in the next twelve months has now to be decided by the American people.

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## THE WAR.

THE Germans claim to have captured Brest-Litovsk; but as we write there is no news respecting that from Russia. Standing alone, the German claim would be entitled to little credence. But it must be borne in mind that the Russian armies are everywhere retiring, and, consequently, that it is only too likely that the great fortress has fallen. It is one of the four great fortified places which constituted what was called the Polish Quadrilateral. It would be childish, therefore, to pretend to believe that its capture is not a serious matter, very disappointing both to Russia and to her Allies. But, after all, the import of a military feat is to be reckoned not by the mere sentimental estimate placed upon it, but by the actual fact whether Russia is weakened in her further

defence by what has happened. Nobody who considers the whole question impartially can really doubt that the Russian Commander-in-Chief acted quite wisely in continuing his retreat, because had he not done so he would have exposed himself to much graver losses than the fall of the great fortress. Russia, in fact, as so often has been pointed out in these columns, is suffering from the want of munitions—the very same want that is keeping both the British and the French armies so nearly idle in the Western theatre of war. Germany had for half a century been preparing for this War. She had provided herself with everything that she deemed necessary, while her antagonists failed to do anything similar. The consequence is that at present she is able to compel the Russians to evacuate Poland, and at the same time to threaten Petrograd. In the meantime, it is most gratifying to find that the Tsar is as resolute as ever not to make a separate peace, and not to cease his operations against Germany until the causes for which he entered into the War have triumphed. It is greatly to be desired, looking at the state of things that actually exists, that Constantinople should fall quickly. Sufficient supplies of munitions could, if that were to happen, be hurried into Russia, and in a short time Russia would be in a position to stand firm. When winter sets in she would be able to commence a new offensive, and probably to destroy the German and Austrian armies now in the Eastern field. The fall of Constantinople has been delayed, partly, because the Allies have not been able to send sufficient land forces against it; and, partly, because the ground is extremely favourable to the defence and extremely unfavourable to the attack. Sooner or later, of course, it will fall; and, in the meantime, the pressure upon Constantinople is benefiting our ally Russia to this extent—that it is compelling the Turks to concentrate their whole force for the defence of their capital, and, consequently, is relieving Russia from the pressure of a considerable Turkish army. Meanwhile, the opening of the Dardanelles must wait until the British and French succeed in beating down Turkish resistance, or until the Balkan States agree amongst themselves and send such a force to assist the French and British as will quickly end the struggle. We discuss the outlook in the Balkans elsewhere, and need only state here that it is impossible as yet to form any definite opinion as to whether a satisfactory settlement can be brought about between Bulgaria and Serbia. There seems to be no doubt that M. Venezelos is ready to do everything that is necessary to call into action once more a united Balkan alliance. It is to be observed, moreover, as we state elsewhere, that the threat to Serbia is very serious. And, lastly, it is difficult to believe that Bulgaria does not recognise in what an unfavourable position she would be placed if Russia were really to be crippled. Meanwhile, the British and French are becoming more active in the Western theatre of war, and especially they are doing excellent work both with their submarines and still more with their aeroplanes. Some of their aeroplane attacks during the week have been very brilliant affairs.

### THE RIGA VICTORY.

OUR gallant Russian Ally is to be warmly congratulated upon its brilliant repulse of the German attack upon the Gulf of Riga. The German authorities and the German Press, following their usual course of misrepresentation, are trying to persuade the world that the success was a very small affair, and that practically the defeat has not weakened the German fleet. But we are so accustomed now to German untruths that few are likely to accept this description of the affair. In reality, the repulse of the Germans

able to the Russians, for the Russian accounts tell us that the bulk of the Russian fleet was not in the Gulf of Riga; that the defence was left to small vessels, mines, and submarines, and to local levies. We have no reason of any kind for doubting the truthfulness of the Russian accounts, for throughout the War they have been found by those who have followed them fully reliable. On the other hand, we find the Germans misrepresenting everything, from the attitude of the various Powers at the outbreak of hostilities down to the smallest affair that has taken place either on land or on sea. They lie so consistently and so uninterruptedly that one cannot attach the least importance to what they say until the victories claimed are confirmed either by our own Government or by those of our Allies. It speaks much for the determination of the Russian people, for the constancy of the forces collected for the defence of Riga, and above all for the man who was in charge of the defence of Riga that he was able after a four days' bitter struggle to compel the German forces to retire with much loss and in disorder. Few even amongst the sympathisers of Germany—if, outside of her Allies, there are any such—will believe that while Germany is engaged in an attempt upon Constantinople the attack upon Riga was a small unimportant affair. Is it not, on the contrary, certain that it was carefully planned, and that it was accompanied by a powerful landing party? We do not doubt, of course, that Germany intended to treat any part of the coast that fell into her hands pretty much as she treated Belgium. But it is asking too much even of our gullibility to believe that the attack was a mere raid. Clearly, the intention was to land a considerable body of troops in the hope that they would be able to disarrange the Russian attempt to defend Petrograd. If that was not the case, German strategy is strangely in error. An attack upon Riga merely to call attention to Riga and cause troops to be sent to its protection is incredible. Such a thing might be done upon some part of our own coasts. But where a serious attempt is being made upon Petrograd it is out of the question. The attack was a really serious one, and its defeat is of very material advantage. It will encourage the Russians everywhere. It will show them that the Germans are not as invincible as they would wish to be believed; that where there is care, foresight, and determination neither the German fleet nor the German land armies need be taken at their own valuation. On the other hand, the repulse of the attack is well calculated to make an exceedingly unfavourable impression upon the German people. Thirteen months of a war which they were led to believe would be finished in two or three have passed, and except that the Russians have been driven practically out of Poland nothing has been gained for Germany since September. On the contrary, Germany has lost rather than gained; while enemies are cropping up in every direction against her. The more a thoughtful German ponders on what has been going on so long the more he must be depressed. The rush that was to carry everything before it in a few weeks utterly failed. The struggle on the Eastern frontier has been going on for thirteen months, and yet even to a hopeful German must appear far from promising. Meanwhile, the loss of life has been terrible and the waste of wealth appalling. We do not think that the Russians stand in need of encouragement. It is beyond dispute, of course, that they have not a sufficient supply of munitions of every kind; and that, therefore, they are compelled to retreat before the enemy. How long that will last it is, of course, impossible to say. Russia herself is working actively to supply what she needs; and her Allies are doing what they can likewise to assist her. But it will not be easy to fully provision her until Constantinople is taken. If the Balkan States were now to understand the critical nature of the position in which they are, and were to march to an attack upon Constantinople, the fall of that city would take place very quickly. Then munitions of every kind

could be hurried into Russia, and in a very short time the tables would be completely turned. Even if the Balkans are terrified by the victorious career of Germany recently, and the opening of the Dardanelles has therefore to be postponed for a considerable time, we do not in the least doubt that the Germans will find that they are making as grave a mistake as Napoleon made in 1812.

We are now at the end of August. In a very short time the Russian winter will begin. If the Russian armies are capable of continuing their retreat as long as is necessary without suffering a really decisive defeat, then the beginning of winter will find the Germans in a most dangerous position. If Germany could have done at the beginning of the summer what she has done now, her hopes would be bright and those of Russia would be dark. But, considering that the summer is nearly ended, unless some extraordinary blunder is committed by the Russian Commander-in-Chief, there is no reason to doubt that before long Germany will find herself in a desperate position.

### CONSCRIPTION.

CONSCRIPTION is objectionable for many reasons. Firstly, it is not wanted. The past thirteen months have proved conclusively that the people of the United Kingdom, and of the Empire generally, are determined to maintain their rights against all-comers, and that when called upon they are ready to respond, even eagerly. Indeed, they have responded so readily that too many skilled workers have been taken from the mines, the workshops, and the factories. To this it is objected that the really good citizens responded splendidly, but that there were many shirkers; and, consequently, that the skilled men and the fathers of families were drawn upon too largely. Do the gentlemen who put this forward so glibly really understand what it means? Or do the more acute and designing of them think the public is so dull-witted that it will be taken in by so obvious a make-believe? Practically, we are asked to believe that the best of our men are so eager to defend the Empire that the worst of them are allowed to lag behind, and, consequently, that it is necessary to give the Government power to pick and choose who shall and who shall not go. Does any serious reader of THE STATIST believe that the Democracy of the United Kingdom is not clear-sighted enough to see through this, and is not too much attached to their principles to allow a Government, no matter how it may be composed, to say to its supporters "You need not go," and to its opponents "You *must* go."

Primarily this Empire of ours needs a Fleet so powerful that whatever happens it will be able to sweep the fleets of our enemies from the seas, to enable trade to be carried on pretty much as usual, and to make it impossible for the foe to invade any portion of the Empire. Thirteen months of warfare have proved conclusively that we have such a Fleet, and instead of repining and colloquing as to how best the Democracy may be deceived, we ought to be supremely thankful for the possession of so great a Fleet, and determined that whatever happens the Fleet in the future must be kept superior to any other fleet throughout the wide world. Then we have to note the great Army, such as is suggested, could not be used. That has been completely proved by the thirteen months just now ending. We have, roughly, three millions of men under arms. How many of these are supplied with uniforms, with rifles, with shoes, with everything, in short, which they require? Again, what quantity of munitions of war—and particularly of high explosives—do we need even now, thirteen months after the War has begun, and how long will it take before we are able to furnish everything of the kind required by our own Navy and armies, and, in addition, those of our Allies? It will be time enough to talk of compulsory enrolment when we have organised all that

is indispensable to enable those armies to put the enemy down. Another important point arises. We would ask "How many competent officers and non-commissioned officers have we for the troops which have so splendidly enlisted?" The present writer's personal experience informs him that officers have been commissioned who most certainly ought never to have been commissioned, and, likewise, that there are non-commissioned officers training the new levies who have not served for more than a quarter of a century. Indeed, in one case, it is within his own knowledge that there is a man whose time in the Reserve had expired 20 years ago. Are officers of the kind hinted at, and old non-commissioned officers, really fitted for the work we are asking them to do? Is it not almost as certain as anything that can be which has not been tried, that when the new levies are sent into the field they will have to unlearn much of what they have been taught, and to pick up as best they can what really suits present methods of warfare? If we really mean business, if we are not secretly and underhandedly trying to get control of Democracy, what we want is a large number of professional officers and non-commissioned officers who can live upon their pay. If the rich—for it is the rich that are chiefly crying out—want a really efficient Army, are they prepared to increase the income tax upon everybody, say with more than £5,000 a year, for the express purpose of having always in reserve a large body of highly trained officers and non-commissioned officers?

If it were possible to carry conscription, the first result would be a resurgence of Party warfare. It is perfectly certain that the Irish Nationalists, the Labour Party, and the Democratic portion of the Liberal Party are strongly opposed to conscription; that they will fight it by every means in their power, both in the constituencies and in Parliament; and that the result will be a division of classes, a reawakening of class hatreds, and a condition of things that will be alarming to all our Allies and to the Daughter Countries beyond sea. We have at present a fairly united nation. The Government leaves very much to desire. But the whole body of the people are so earnest in their determination to put down what is called Prussian Militarism that they shut their eyes to much that they dislike, resolved as soon as peace returns that that kind of thing shall not recur. Do the conscriptionists, then, seriously desire a resurgence of Party and class warfare, a probable break-up of the present Government, and an appeal to the constituencies in the middle of a great war? If they do not, they will cease urging what will bring about a serious state of things. The real remedy for our military unpreparedness is to be found, firstly, in a general training of all boys during their school-time. Secondly, a reserve of highly trained and fairly well-paid officers and non-commissioned officers. But the officers must not be drawn exclusively from one class. If they are, the Democracy will make the system impossible. If they are not, they must be free from class and from attempting to use political influence. Withal, there must be no suspicion that the machinery for ensuring that the whole of the youth of the country shall be trained is, or is intended to be, used for maintaining the ascendancy of class over class. We see in Germany at the present moment how the Militarists use all the inferior classes for their own purposes. We see, furthermore, in Austria-Hungary that while the majority of the people are discontented with their lot and hoping for junction with States outside of them, the machinery for working universal liability to military service is used through courts martial and the like, to terrorise all who it is feared are not loyal, and to compel even those who are anxiously expecting the chance of welcoming Serbs and Roumans to enter the ranks and fight against those whom, if they were free, they would welcome as deliverers. All that may be true service to the Hapsburg Government. But it is not the kind of

thing that Democrats will willingly introduce in this country. And such amongst us as are honestly desiring to maintain the interests of the Empire and the rights of the weaker States will carefully abstain from supporting a movement which will unquestionably end in agitation, Party hostility, and revolutionary measures.

### THE BALKAN STATES.

There appears to be no doubt that the two Central European Empires are preparing for a serious invasion of Serbia. The reader will remember that the present War began with an Austro-Hungarian ultimatum to Serbia of the most dictatorial character; and that Austria-Hungary refused the most humble apology on the part of Serbia, and declared war against that little State. Wonder has often been expressed that the two Central European Empires should be so unblushingly regardless of the opinions of the world, that they did not think it worth their while to make a serious attempt to coerce Serbia as long as they were doubtful of their ability to master Russia. Now, however, they believe that Russia, because of her want of munitions, is incapable of protecting Serbia, and that, consequently, they have that little State at their mercy. Not only is Russia retreating everywhere before them, but Italy is not making such progress as compels them to detach from the Eastern theatre of operations very large forces, while France and England are doing little in the Western theatre, and the drive at Constantinople still drags. Thus, they think that they have the field completely open, and it looks as if they were about to crush Serbia. The question is, will the other Balkan States come to the assistance of Serbia, or will they, fearing the fate of Belgium, prefer to sacrifice her rather than risk their own safety? It was an extraordinary oversight on the part of the *Entente* Powers not to use their influence long ago to induce the Balkan States to open the Dardanelles. However, there is no use in crying over spilt milk. The blunder has been committed, and now it depends upon Bulgaria whether action even at this late date is to be taken. Bulgaria, as our readers know, has stated the terms upon which she is ready to act. If she gets what she did get at the end of the first Balkan War she will throw in her lot with her sister countries and with Russia. If she does not, she will maintain her neutrality. Serbia at first was greatly indisposed to make the concessions demanded by Bulgaria. But unless she is quite mad she will make them now, for we can hardly doubt that if Bulgaria is willing to renew the Balkan Alliance and open the Dardanelles, Greece and Roumania will likewise join. M. Venezelos is again Prime Minister of Greece, and it depends upon the outcome of this war whether he is to acquire for his country a considerable territory in Asia Minor, besides a large proportion of the Mediterranean Islands. It is a very large prize, and it seems worth while to run some risk to gain it. Roumania, it is true, is in a very dangerous position. If the Russian Army was as strong as it appeared to be when it had practically occupied the whole of Galicia, Roumania, doubtless, would have risked everything to win Transylvania. But will she incur the formidable risk of an Austro-German invasion at present? Nobody can dispute that the risk is formidable. For there is nothing to prevent such an invasion, except, of course, the judgment of the German General Staff. Germany at the moment has succeeded in practically driving the Russians out of Poland. And, therefore, the General Staff may consider that it is worth while to crush Serbia, and to put a stop to the aspirations of both Roumania and Greece with regard to Austria and Turkey. On the other hand, the German General Staff knows as well as other people that the Balkan States can put in the field a very considerable force; that, moreover, the

Slav population of Austria-Hungary largely exceeds the German and the Magyar population added together; that practically the whole Slav population sympathises with the Balkan States and with Russia; and that a large part of them are actively and even bitterly hostile to both Hungary and Austria. There is, therefore, on the part of the Balkan States a reasonable probability that if they can repulse an Austro-German attack there will follow an almost immediate uprising of the Slavs in the Dual Monarchy; while the opening of the Dardanelles would supply Russia with the munitions she requires, and then, when winter sets in, the Germans and the Austrians will find themselves in a most critical position. Of course, it is not to be left out of account, firstly, that the Sovereigns of Greece and Bulgaria, at all events, are not personally eager for a quarrel with the two Central Powers, while the real character of the King of Roumania is not very well understood. Moreover, it is not to be lost sight of that the Balkan States may consider that since their intervention has been postponed until the very end of the summer, it would be wisest to postpone it still longer until winter has set in in earnest both in Russia and in Poland, and when, therefore, the armies of the two Central European Powers may bring themselves in as dangerous a position as can well be conceived. Plainly it is too early yet to form any definite opinion as to what is likely to be the decision of the Balkan States. Will they leave Serbia to be utterly crushed, or will they trust to the coming of winter to enable them to destroy the German and the Austrian Armies?

### OUR PURCHASES FROM OTHER COUNTRIES.

An analysis of our trade with various Colonial and foreign countries at the present time is not only interesting, but instructive. In the first six months of this year our purchases of goods from abroad increased £53,000,000, while our exports of goods declined £72,000,000. Our imports consequently reached the great total of £429,000,000, while the exports of British goods amounted to only £184,000,000. After allowing for £51,000,000 of goods imported having been re-exported, we find the excess of imports over exports for the half-year was no less than £195,000,000, whereas in the first half of last year the excess was only £61,000,000. The falling-off in exports would have been still more noteworthy but for an expansion of over £19,000,000 in our exports to France, an expansion due to our willingness to make large advances of money to our French Ally. Doubtless our exports to Russia would also have shown great increase instead of having been reduced 46 per cent., but for the closing of the Dardanelles and the physical difficulties of sending goods into Russia. As soon as the Dardanelles are opened we may expect our exports to Russia to show great expansion. With regard to our customers outside the War zone, to whom we usually lend large sums of money, our exports show severe contraction. It is noteworthy that our exports to the United States have declined about 30 per cent., notwithstanding an increase of 75 per cent. in our imports from that country. Of course, our trade with the enemy countries, which normally amounts to a large figure, has quite disappeared, and this accounts for £25,000,000 of the shrinkage in our exports, while the occupation of Belgium was responsible for another £6,500,000. The net falling-off in our trade to Europe is, however, not a very heavy one when the expansion in our exports to France, Holland, Denmark, Switzerland, Norway, and Sweden are taken into account. We set out below a statement showing the countries to which we

exported both more freely and less freely in the first half of this year than in the first half of last year:—

*Exports of Produce and Manufactures of U.K.*

Principal Countries to which Consigned	—Six months to June 30—		Inc. or Dec.
	1915 £	1914 £	
France .. ..	33,745,000	14,364,000	+ 19,381,000
India and Ceylon ..	23,260,000	36,676,000	- 13,416,000
Australasia .. ..	17,790,000	22,399,000	- 4,609,000
United States .. ..	12,330,000	17,769,000	- 5,439,000
South Africa .. ..	9,189,000	10,830,000	- 1,641,000
Netherlands .. ..	9,024,000	8,127,000	+ 897,000
Canada and Newfdld.	6,652,000	9,897,000	- 3,245,000
Italy .. ..	6,082,000	7,437,000	- 1,355,000
Argentina .. ..	5,353,000	9,645,000	- 4,292,000
Russia .. ..	4,611,000	8,505,000	- 3,894,000
China .. ..	4,059,000	8,445,000	- 4,386,000
Sweden .. ..	3,875,000	3,757,000	+ 118,000
Norway .. ..	3,803,000	3,544,000	+ 259,000
Denmark .. ..	3,696,000	2,995,000	+ 701,000
Egypt .. ..	3,492,000	4,935,000	- 1,443,000
Spain .. ..	3,109,000	3,686,000	- 577,000
Brit. West Africa ..	2,742,000	3,907,000	- 1,165,000
Java .. ..	2,448,000	3,226,000	- 778,000
Switzerland .. ..	2,433,000	2,083,000	+ 350,000
Brazil .. ..	2,310,000	4,034,000	- 1,724,000
Japan .. ..	2,226,000	5,146,000	- 2,920,000
Straits Set. & F.M.S.	2,080,000	3,327,000	- 1,247,000
Hong Kong .. ..	1,040,000	2,243,000	- 1,203,000
Chili .. ..	720,000	2,569,000	- 1,849,000
Roumania .. ..	230,000	1,573,000	- 1,343,000
Turkey .. ..	146,000	4,690,000	- 4,544,000
Belgium .. ..	42,000	6,507,000	- 6,465,000
Germany .. ..	—	18,590,000	- 18,590,000
Austria-Hungary ..	—	2,189,000	- 2,189,000
Other Countries ..	17,136,000	21,463,000	- 4,327,000

Total, all countries 183,623,000 255,458,000 - 71,835,000

In considering the possibility of recovery in our export trade it is essential to take account of the countries from which we are buying more freely than last year. Thus, in the first half of 1915 our imports from the United States showed the great increase of no less than £54,000,000, while from Argentina we bought an additional £14,000,000, or 80 per cent. From Australasia our purchases increased over £11,000,000, or 30 per cent.; from India and Ceylon over £10,000,000, or 45 per cent.; while from Canada and Newfoundland they increased as much as £4,572,000, or 45 per cent., notwithstanding the shortage in the Canadian harvest of 1914.

*Imports of Merchandise into the United Kingdom.*

Principal Countries whence Consigned	—Six months to June 30—		Inc. or Dec.
	1915 £	1914 £	
United States .. ..	124,149,000	70,437,000	+ 53,712,000
Australasia .. ..	49,021,000	37,499,000	+ 11,522,000
India and Ceylon ..	32,795,000	22,615,000	+ 10,180,000
Argentina .. ..	32,297,000	18,004,000	+ 14,293,000
France .. ..	15,670,000	23,929,000	- 8,259,000
Canada & Newfdld.	14,614,000	10,042,000	+ 4,572,000
Egypt .. ..	12,849,000	11,858,000	+ 991,000
Denmark .. ..	12,371,000	12,054,000	+ 317,000
Netherlands .. ..	11,951,000	11,493,000	+ 458,000
Straits Set. & F.M.S.	11,281,000	8,473,000	+ 2,808,000
Spain .. ..	9,044,000	6,873,000	+ 2,171,000
Switzerland .. ..	7,489,000	5,775,000	+ 1,714,000
South Africa .. ..	7,060,000	7,179,000	- 119,000
Norway .. ..	6,881,000	5,908,000	+ 973,000
Sweden .. ..	6,837,000	5,908,000	+ 929,000
Italy .. ..	6,140,000	4,527,000	+ 1,613,000
Java .. ..	5,733,000	1,176,000	+ 4,557,000
Russia .. ..	5,376,000	15,252,000	- 9,876,000
Brit. West Africa ..	5,200,000	3,389,000	+ 1,811,000
Chili .. ..	4,739,000	2,996,000	+ 1,743,000
Brazil .. ..	4,665,000	5,182,000	- 517,000
Japan .. ..	4,537,000	2,047,000	+ 2,490,000
Cuba .. ..	3,839,000	2,724,000	+ 1,115,000
China .. ..	3,224,000	1,976,000	+ 1,248,000
Brit. W. Indies ..	2,177,000	1,373,000	+ 804,000
Portugal .. ..	1,939,000	1,490,000	+ 449,000
Greece .. ..	1,321,000	676,000	+ 645,000
Belgium .. ..	741,000	11,469,000	- 10,728,000
Bolivia .. ..	579,000	1,100,000	- 521,000
Turkey .. ..	473,000	2,300,000	- 1,827,000
Germany .. ..	97,000	39,292,000	- 39,195,000
Austria-Hungary ..	24,000	3,802,000	- 3,778,000
Roumania .. ..	2,000	1,770,000	- 1,768,000
Other Countries ..	23,989,000	15,295,000	+ 8,694,000

Total, all countries 429,104,000 375,883,000 + 53,221,000

These imports do not include our purchases of war material on Government account. If these were included our purchases from the United States, Canada, and from other countries would show still greater expansion.

**"Silver Bullets" will win the War.**

Why send money to Foreign Countries, when you can get equally good value in your own Colonies?

Buy Rhodesian Tobacco and Cigarettes and circulate your money among your own kith and kin.

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CIGARETTES { Rhodesian Turkish ... 6/- per 100  
 { Rhodesian Virginia ... 5/- per 100  
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## Financial Notes.

BRITISH and American professors, whose knowledge is confined to that acquired from books, have combined powerfully to spread the legend of the extraordinary ability of the German people. It is desirable that this absurd misjudgment should be dispelled, and we know of no better means of doing so, so far as the business classes of this country are concerned, than the reading of the speech of the German Finance Minister at the end of last week upon the cost of the War and the ability of the several belligerents to bear it. We would, therefore, invite the attention of our readers to one or two sentences from this extraordinary lucubration. In the first place, the Minister alleges that Germany and her Allies are conducting their operations more economically than the *Entente* Powers and their Allies. This is quite possible. So far as our own country is concerned there can be no reasonable dispute that money has been wasted as if it were water, and that no proper care has been taken to get money's worth for money outlay.

Passing from that, however, it is difficult to believe that of the total expenditure upon the War, Germany and her Allies have been burdened so far with only one-third, while the *Entente* Powers have spent two-thirds. While we are ready to admit the extravagance, want of due care, and waste on the part of our own country, at all events, and presumably on the part of some of its Allies, we certainly are not prepared to swallow this characteristically exaggerated statement of the German Minister. Germans are as ready as other people to take advantage of those they deal with, and to take advantage of their own Government as well as others. But, on the other hand it is true that the German bureaucracy is more painstaking than our Civil Service; and, therefore, stops many a leakage which passes readily enough amongst ourselves.

However, if that were the only departure from the truth which can be charged with justice against Dr. Helfferich, we should not think it worth our while to waste our space and the time of our readers by adding such a small matter to the multitude of untruths which for thirteen months and more Germany has been circulating. The particular point that we wish to urge upon the attention of our business readers is that in which the Doctor explains the secret of German success. For example: "What is consumed by the War is not our stock of current money, but the sum of war *matériel* and the means of maintenance which our people, by straining all its efforts, produce uninterruptedly upon our soil." Now, can there be clearer proof of the ignorance of economic matters than is afforded by this short quotation from the Finance Minister of Germany?

Does any reasonable man ever believe that the current money of a country is consumed, either in war or in any other operation? Current money, of course, wears out by constant use, by passing from hand to hand, by rubbing against other money in

pockets, fells, and so on. But that wearing out is quite different. It is observed, and where it is observed efforts are made to prevent the wearing out. What is intentionally consumed is not money of any kind, but the material things which money buys. These things—food, clothing, arms, ammunition, and so on—are bought in the case of war for the very purpose of being consumed, and the cost of the War is represented by the consumption of those things, not by the consumption of money.

Here in England, as already admitted, there has been gross waste. But leaving out of account the gold that has been remitted abroad for the purpose of paying for things imported, there has been no consumption of money. Money in this country is practically as large now as it was when the War broke out, probably it is even larger. But the really consumable things have been consumed on an immense scale, and most wastefully. Whether the consumption of these particular things has been greater amongst the *Entente* Powers than amongst the German group we have no means of ascertaining. But judging from the enormous expenditure of munitions by the Germans we doubt exceedingly whether the consumption has been very much greater.

The real truth appears to be—though at the present time the figures cannot be got at, and, therefore, the statement cannot be verified—that Germany, having made up her mind to make ready for an attack upon her neighbours, has been spreading her preparations over half a century. Taking any one particular year, probably the expenditure of Germany would show favourably when compared with that of the *Entente* Powers. But if we had full power to ascertain the naval and military expenditure of Germany since 1871, we should in all likelihood discover that the outlay of Germany far exceeds the outlay of all the *Entente* Powers, except possibly Russia, which, it will be recollected, engaged in a disastrous war with Japan.

Germany, suppose she had in stock an immense quantity of high explosives at the end of July of last year, was in a position to fire this away at a much greater rate than all her enemies put together, and yet the outlay upon that particular kind of ammunition in the thirteen months may have been smaller than the outlay of the *Entente* Powers which were not prepared; and, therefore, had to undergo in thirteen months extraordinary expenditure which had been spread by Germany over nearly half a century. The real criterion as to the financial cost of the War will not be available until peace is assured. Then it will be very easy indeed to ascertain on which side has been the folly, the extravagance, the waste, and the perdition.

Dr. Helferrich, in an earlier portion of his speech, predicted that Germany would not only win, but that she would win so absolutely that she would be able to compel her enemies to repay every penny laid out by her and something more as a punishment for aggression. That is letting the cat out of the bag with a vengeance. Germany has so gloated over the 200 million sterling exacted from France in 1871 that she has been hungering ever since for another immense indemnity. She thought that England would keep out of the present fray; that Russia was so backward in her recovery from the war with Japan that she need not fear her; and that France having only 38 millions of people against her 65 millions she could very easily dispose of France and take possession of Belgium. The German ministers some of our professors regard with such admiration are extraordinary incompetent in reality. They have laid out immense sums and much labour to persuade the neutral world that they were attacked and not the attackers. And now the German Finance Minister openly declares in the

Chamber that the War will cost Germany nothing, for she intends to exact more than the cost from her beaten enemies. It would have been a very pretty game in German eyes if it could have been realised. But, unfortunately for her, it is Germany that will have to pay the piper.

## CREDITO ITALIANO.

THE *Credito Italiano* is the new title that was adopted in 1894 by the Old Bank of Genoa, which was founded in 1870 under the auspices of Messrs. Robert Warshawer and Company, of Berlin, and Messrs. Manzi and Company, of Rome. The institution has largely participated in the commercial and industrial progress in recent years, and it has opened up 37 branches in the chief cities, in addition to the head office at Milan, while there is a branch in London which transacts a general foreign banking business, and is specially prepared to grant facilities for the development of trade with Italy. It may perhaps be desirable to point out that while German financiers have shareholdings they do not control the institution. At June 30 last the Bank had a fully paid capital of £3,000,000 and a reserve fund of £460,000, the deposits amounting to £14,952,270. The total assets were valued at £21,188,271. Since 1908 dividends have been maintained at 6 per cent. per annum.

## VICTORIA FALLS AND TRANSVAAL POWER COMPANY.

By the dividends of 3 per cent. December 1914 and of 5 per cent. June 1915, the arrears on Preference share capital have been cleared off to April 30, 1914. The two distributions represented £160,000, or 16 months' arrears. The position in respect of the last two years is set out below:—

	—1914—	—1913—
	Dr. £	Cr. £
Balance from previous year ... ..	105,199	96,787
Balance to credit of profit and loss account ... ..	555,694	467,824
	660,893	564,611
Int. on Debts. and income tax for year	244,363	203,921
Depreciation written off ... ..	150,783	135,491
Dividend on Preference shares ... ..	110,000	120,000
	554,446	459,412
Balance to balance sheet ... ..	106,447	105,199
* Clearing off to December 31, 1912.		
† " " April 30, 1914.		

The present price of the 2,000,000 Preference £1 shares is 15s. 6d. per share.

The Debentures of the Company in issue are £3,000,000 First Mortgage 5% and £1,543,920 Second Mortgage 5½%.

The cash position at December 31, 1914, was as under:—

Cash and loans ... ..	£ 801,633
Debtors ... ..	60,571
	862,204
Less creditors ... ..	422,158
Net resources ... ..	440,046

The expenditures for year to December 31, 1914, amounted to £478,347, which sum included Debenture discount.

## THE LONDON CITY & MIDLAND BANK LIMITED.

Head Office - 5 THREADNEEDLE STREET, E.C.

The London City and Midland Executor and Trustee Company Limited, with a capital of £500,000, undertakes the Executorship and Trusteeship of Wills and Marriage Settlements, and acts as Trustee for Debenture-holders.

FOREIGN BRANCH : 8 FINCH LANE, E.C.



## National Shawmut Bank

of Boston, Mass.  
First Charter 1837

### Largest Bank in New England

Total assets over \$110,000,000

## American Topics.

### CANADIAN PACIFIC RAILWAY.

THAT in a year of such abnormal conditions as prevailed during 1914-15 the Canadian Pacific Railway earned a profit equal to 11.3 per cent. and maintained the 10 per cent. dividend on its stock speaks well for the financial strength of that great undertaking. For each month since November 1913 the Company has experienced declining gross earnings due to several disturbing factors. In the first place, a halt occurred in the progress of Canada, not due to any contraction in the productive power of the country, but to economy in consumption on the part of Canadian people arising from a financial stringency which affected the building trade and consequently led to a decline in the lumber traffic as well as in the demand for manufactured articles. Secondly, came the practical cessation for a time of all industrial activity immediately after the outbreak of war. Thirdly, the crops of 1914 were far below the average. Fourthly, investment of new British capital, which had previously been so great, almost ceased. Lastly, the Company had to face increased competition as a result of the bringing into operation of two new great transcontinental lines. The zenith of the Company's traffic, earnings and profits was reached in 1912-13, since when the volume of business—ton miles and passenger miles—has declined as much as 32 per cent. Nevertheless, the decline in profit that has resulted has been merely in the surplus after making the usual 10 per cent. distribution. Such an achievement in face of so great a set-back in the amount of traffic dealt with is indeed noteworthy, and one that has been, or even could be, experienced only by a relatively few undertakings enjoying the most conservative management.

In the year to June last the traffic of the Canadian Pacific showed marked contraction, gross earnings for the twelve months having declined from \$129,815,000 to \$98,865,000. For 1912-13 they amounted to \$139,396,000. The shrinkage in the past year has occurred under all heads of freight traffic with one exception—namely, live stock, where an uninterrupted growth has been going on since 1908. The lull in the building trade, which greatly reduced the quantity of lumber conveyed in 1913-14, was accentuated last year, and the quantity carried was still further reduced, having been only 2,181 million feet, in comparison with 2,953 million feet for the previous year and 3,210 million feet two years ago. The poorness of the crops gathered in 1914-15 caused a severe slump in the grain traffic, the quantity conveyed having been less than 127 million bushels, against 185 million bushels in 1913-14. The flour

traffic, too, was reduced, as also was the tonnage of manufactures and miscellaneous articles. The effect upon the freight traffic of the various disturbing factors to which we have referred will be evident from the following comparison of the quantities of the principal commodities carried during the past decade:—

#### Principal Commodities Conveyed by Canadian Pacific Rly.

Yr. to June 30.	Lumber, Feet.	Grain, Bushels.	Flour, Barrels.	Live Stock, Head.	Past. wood, Cord.	Miscell. A Misc. Tons.	Total Freight, Tons.
1915	2,180,736,000	126,910,000	8,539,000	2,834,000	254,000	13,448,000	24,491,000
1914	2,953,126,000	184,954,000	8,802,000	2,481,000	288,000	17,307,000	27,801,000
1913	3,210,306,000	171,953,000	8,094,000	1,783,000	294,000	19,145,000	29,472,000
1912	2,806,735,000	151,732,000	8,460,000	1,663,000	305,000	16,289,000	25,940,000
1911	2,441,007,000	111,170,000	8,470,000	1,568,000	293,000	14,730,000	22,536,000
1910	2,292,822,000	112,795,000	7,490,000	1,381,000	281,000	13,036,000	20,551,000
1909	1,726,945,000	97,236,000	6,683,000	1,372,000	250,000	10,341,000	16,550,000
1908	1,764,445,000	88,345,000	5,844,000	1,350,000	250,000	9,084,000	15,040,000
1907	1,989,445,000	93,207,000	6,257,000	1,537,000	275,000	9,180,000	15,733,000
1906	1,804,649,000	82,197,000	5,995,000	1,428,000	261,000	7,917,000	13,934,000
1905	1,435,759,000	59,739,000	5,011,000	1,361,000	262,000	7,144,000	11,892,000

In order to meet so vast a shrinkage as \$31,000,000 in gross receipts, the officers of the road instituted a policy of severe retrenchment and reduced operating expenses by as much as \$22,000,000, first, by curtailing expenditures upon maintenance, a course that was rendered possible without impairing the efficiency of either the road or the equipment in view of the liberal outlays for these purposes in previous years. In all \$10,335,000 less was spent upon maintenance. Nevertheless, such expenditures bore a proportion of 26.35 per cent. to railway receipts. Secondly, every effort was made to effect savings in the cost of conducting transportation, not only by reducing freight-train mileage in greater degree than the decline in the traffic, but in a multitude of other ways. On this account, the reduction in the past year was \$10,804,000. The ratio to railway receipts was, however, raised from just under 40 per cent. for 1913-14 to 40.70 per cent., almost an unprecedentedly high figure—at any rate, it is higher than for any year since 1888. With regard to this it has, of course, to be recognised that to institute economies in operation when traffic is declining at a rapid rate is most difficult, and it is a matter for congratulation that by striving to the utmost of their power the officers of the road have prevented the rise in the conducting transportation ratio from becoming still more marked. The manner in which endeavour was made to offset the large decline in gross receipts will be evident from the appended statements:—

#### Operating Expenses of the Canadian Pacific Railway.

Year to June 30.	Railway Earnings.	Maintenance of W'y.	Use of Equip.	Trans. portation.	Cond. Expenses.	General Expenses.	Operating Expenses.
1915...	\$8,171,000	\$1,401,000	\$11,308,000	\$35,073,000	\$3,963,000	\$6,745,000	
1914...	11,746,000	16,427,000	16,617,000	45,877,000	4,322,000	83,243,000	
1913...	126,122,000	18,498,000	17,199,000	49,451,000	3,954,000	89,102,000	
1912...	112,505,000	17,720,000	13,609,000	41,804,000	3,444,000	76,577,000	
1911...	94,644,000	15,561,000	12,056,000	34,161,000	2,771,000	64,549,000	
1910...	83,763,000	13,654,000	12,567,000	29,862,000	2,549,000	58,632,000	
1909...	69,114,000	10,074,000	11,081,000	27,693,000	2,356,000	51,204,000	
1908...	64,678,000	10,411,000	9,358,000	25,847,000	1,942,000	47,558,000	
1907...	66,138,000	10,112,000	9,083,000	23,765,000	2,189,000	45,149,000	
1906...	56,262,000	9,105,000	7,370,000	18,786,000	1,964,000	37,225,000	
1905...	46,011,000	8,527,000	6,616,000	16,906,000	1,635,000	33,684,000	

#### Ratio of Operating Exp. to Gross Receipts of Can. Pac. Rly.

Yr.	...	...	...	...	...	...
1915	...	13.23	13.12	40.70	4.60	71.65
1914	...	14.31	14.48	39.98	3.77	72.54
1913	...	14.66	13.64	39.21	3.44	70.65
1912	...	15.75	12.09	37.16	3.06	68.06
1911	...	16.44	12.74	36.09	2.93	68.20
1910	...	15.32	14.63	34.82	2.93	68.36
1909	...	14.57	16.03	40.07	3.41	74.08
1908	...	16.09	14.48	39.96	3.00	73.53
1907	...	15.29	13.74	35.93	3.31	68.27
1906	...	16.19	13.09	33.33	3.49	66.16
1905	...	18.53	14.38	36.74	3.55	73.20

Notwithstanding the considerable diminution in operating expenses, net earnings were \$8,851,000 lower than for the previous year, but by the receipt of an additional \$3,000,000 of miscellaneous income the net income amounted to \$43,050,000, in comparison with \$48,898,000 in the previous year. Out of this large sum only \$10,447,000 was needed to meet interest charges. Consequently the profit was

\$32,000,000, in comparison with \$38,671,000 at the previous year and \$43,214,000 in 1912-13. This total of \$32,000,000 was equal to no less than 33 per cent. of the gross receipts. After the payment of the dividend on the 4% Preferred stock, the profit for the Ordinary was \$29,384,000, equal to 11.30 per cent. To pay the 10 per cent. dividend called for \$26,000,000, thus leaving a surplus of \$3,384,000 available for betterments, &c. This margin is, of course, very much less than has been secured for many years past, but none the less account should be had of the ability of the Company still to reduce expenditure and thus in part to neutralise the effect upon profits of any further decline in gross receipts. In the past year, with a shrinkage of about \$31,000,000 in gross earnings, operating expenses were reduced \$22,100,000, and the loss in net earnings was, therefore, \$8,900,000. Even if the Company were able to neutralise any further shrinkage in its gross earnings to the extent of two-thirds by a reduction in expenditure, gross receipts could still decline by about \$10,000,000, or over 10 per cent., before the margin in excess of the existing rate of dividend would disappear. The Income Statement of the Company is presented herewith.

So far as the 10 per cent. dividend is concerned, 7 per cent. is paid out of the profits of the railway proper and the balance of 3 per cent. from the special income account, in which are included net earnings of steamships, interest and dividends on investments owned, interest on deposits and loans, and income from other extraneous assets. For 1914-15, owing to the considerable diminution in traffic and earnings, the profit of the railway proper was only \$215,000 in excess of the 7 per cent. dividend paid from that source, but as regards the special income account, the balance available was equal to 4.22 per cent. on the stock. Therefore, practically the whole of the margin of \$3,384,000 in excess of the 10 per cent. dividend was due to the largeness of the special income which for the past year amounted to \$10,969,000, in comparison with \$8,588,000 for the previous year. That this increase of \$2,381,000 occurred arose almost entirely from the operating by the British Admiralty for several of the latter months of the year of about 94 per cent. of the Company's fleet of ocean steamships, for which the Canadian Pacific is receiving compensation very much higher than was forthcoming when the vessels were employed in the regular freight and passenger services. To show the sources from which the special income is derived we present below the particulars of this account for the past two years:—

*Special Income Account of Canadian Pacific Railway.*

	1914-15	1913-14	Inc. or Dec.
Earnings of Ocean SS. and Harb.	\$ 457,000	\$ 802,000	-\$ 345,000
Net earnings of Pacific Coast SS., com-			
mercial freight, &c.	1,441,000	2,116,000	-\$ 675,000
Interest and dividends on investments	1,572,000	1,491,000	+\$ 81,000
Interest on deposits	1,100,000	1,114,000	-\$ 14,000
Net profit from land sales	344,000	297,000	+\$ 47,000
Interest on proceeds Land Sales	65,000	492,000	-\$ 427,000
Income from other sources	1,044,000	791,000	+\$ 253,000
Total	10,969,000	8,588,000	+\$ 2,381,000
Less: Dividend on 4% Preferred Stock	1,000,000	1,000,000	—
Net special income	9,969,000	7,588,000	+\$ 2,381,000
Less: Dividend on 10% Ordinary Stock	2,600,000	2,600,000	—
Balance available for betterments, &c.	7,369,000	4,988,000	+\$ 2,381,000

Naturally, in view of the great falling-off in gross and net earnings last year and the continued decline in gross earnings reported for the first seven weeks of the current fiscal year, considerable interest exists as to the ability of the Company to maintain the 10 per cent. dividend. Of course, it is always unsafe to predict, and the difficulty of forming an opinion regarding the future was probably never greater than at the present time. We cannot, however, ignore the indications which seem to point, if not to improved

profits upon those of last year, at any rate to results which will prove to be no worse.

The absence of the influx of new capital, of yore and the ending of the long period of aggressive railroad construction tends, of course, to prevent the resumption of such activity as was displayed two or three years ago, but it has to be remembered that the real backbone of Canada is the agricultural industry, and that the crops now being gathered are estimated far to exceed those of any previous year. Further, in view of the high prices secured for their products in the past year, farmers were never more free of pressing debts than at the present time, and inasmuch as owing to their largeness and the high prices still ruling the value of this year's crops will considerably exceed the value of last year's agricultural output, farmers are likely to have more money in the current year than ever before with which to purchase necessities and luxuries. Through its far-sighted policy the Canadian Pacific has branch lines radiating in all directions in the grain-growing areas, and therefore should participate in the greater spending power of the communities occupying those territories. General trade conditions throughout the Dominion are at length reported to be showing signs of improvement, and may be expected to become distinctly better as benefit is derived from this year's crops and from the immense number of War orders now being executed in the Dominion. With regard to the latter, an official statement has recently been made at Ottawa that the orders already placed in Canada by the British Government for War supplies which have been either completed or are as yet unfilled aggregate in value £16,000,000. Further, all the workshops of the Canadian Pacific are busily engaged on special work in connection with the War, which should bring in a considerable revenue. The report for the past year contains no reference to any income having been derived from this source, but apparently this, and the still greater income likely to be similarly earned in the current year, will be set aside to a special fund to be dealt with subsequently. Another evidence of somewhat greater industrial activity is obtainable from the bank clearings over the whole country, which for the first time for many months have just shown increase over last year's figure.

Account has, moreover, to be taken of the great expansion programme of the Canadian Pacific being practically completed for a time, only 60 miles being under construction at the close of June last, besides certain additions to terminal facilities still incomplete. No new capital expenditures of any consequence will be required for some time to come, for existing facilities are sufficient to take care of an immensely greater traffic than that now enjoyed. In the past two years the amount of business conducted by the Company has declined almost 33 per cent., and as during the period that has elapsed since June 1913 considerable improvements and additions have been made to the property, such as double tracking of those lines where the density of traffic is greatest, existing facilities are at least capable of dealing with a business 50 per cent. greater than was handled in the fiscal year 1914-15. The importance of this matter needs no emphasis on our part, for it will readily be recognised that whereas in past years large amounts of new capital have constantly been raised to provide facilities ahead of traffic, any growth of traffic that may be secured in the next few years will be accompanied by practically no addition to the amount of capital ranking for interest or dividends, and that therefore any expansion in profits will go to swell the margin in excess of dividends. Another point to be considered is that during the current year comparison will be made with very poor results last year. It is true that for July the shrinkage of \$3,035,000 in gross earnings was larger than for any month since December last, and that for the first three weeks of August further declines have occurred, but fortunately the rate of decline

## Income Statement of the Canadian Pacific Railway.

Yr. to June 30	Aver. Miles.	Gross Earnings, \$	Operating Expenses, \$	Ratio, %	Net Earnings, \$	Misc Income, \$	Net Income, \$	Fixed Charges, \$	Net Profit, \$	Div on 4% Pref. \$	Balance, \$	Div. on Ord. —Paid— \$	Balance, \$	
1915...	12,371	98,865,000	65,290,000	66.04	33,575,000	9,475,000	43,050,000	10,447,000	32,603,000	3,219,000	29,384,000	11-30	10 26,000,000	3,384,000
1914...	11,825	129,815,000	87,389,000	67.32	42,426,000	6,472,000	48,898,000	10,227,000	38,671,000	3,109,000	35,562,000	14-51	10 24,500,000	11,062,000
1913...	11,366	139,396,000	93,150,000	66.82	46,246,000	7,844,000	54,090,000	10,876,000	43,214,000	2,960,000	40,254,000	18-79	10 21,420,000	18,834,000
1912...	10,767	123,319,000	80,021,000	64.89	43,298,000	6,263,000	49,561,000	10,525,000	39,036,000	2,592,000	36,944,000	20-24	10 18,000,000	18,444,000
1911...	10,342	104,168,000	67,468,000	64.78	36,700,000	6,165,000	42,865,000	10,011,000	32,854,000	2,254,000	30,600,000	17-00	9 17,100,000	13,500,000
1910...	10,078	94,989,000	61,149,000	64.37	33,840,000	4,835,000	38,675,000	9,917,000	28,758,000	2,215,000	26,543,000	17-07	7 11,662,000	14,876,000
1909...	9,737	76,313,000	53,358,000	69.92	22,955,000	3,807,000	26,762,000	9,427,000	17,335,000	2,108,000	15,227,000	10-15	7 10,500,000	4,727,000
1908...	9,212	71,384,000	49,592,000	69.47	21,792,000	3,871,000	25,663,000	8,770,000	16,893,000	1,916,000	14,977,000	12-31	7 8,518,000	6,459,000
1907...	9,000	72,217,000	46,914,000	64.96	25,303,000	3,581,000	28,884,000	8,517,000	20,367,000	1,736,000	18,631,000	15-31	7 8,518,000	10,113,000
1906...	8,691	61,669,000	34,696,000	62.75	22,973,000	1,970,000	24,943,000	8,351,000	16,592,000	1,660,000	14,932,000	14-73	6 6,084,000	8,848,000
1905...	8,511	50,482,000	35,007,000	69.35	15,475,000	1,585,000	17,060,000	7,954,000	9,106,000	1,514,000	7,592,000	8-17	6 5,577,000	2,015,000
1895†	6,444	18,911,000	11,460,000	63.07	7,451,000	701,000	8,152,000	6,808,000	1,374,000	257,000	1,117,000	1-72	1 1/2 975,000	142,000
1896†	—	10,081,000	6,378,000	63.26	3,703,000	—	3,703,000	3,088,000	635,000	—	635,000	—	—	635,000

† Calendar year. ‡ Indian Government guaranteed 3% to 1893.

† Calendar year.

‡ Canadian Government guaranteed 3% to 1893.

this month is of moderate extent compared with the previous large shrinkages, the diminution for the week to August 21 having been less than \$200,000. Any further set-back in gross and net earnings that may be notified for the two months to August is, however, anticipated to be more than made good by improved results in the following months when the large grain shipments should have marked effect upon the traffic. The course of earnings since July 1913 and the nature of the results with which comparison will be made in the current year will be evident from the sub-joined statement:—

## Course of Gross Earnings, Expenses and Net Earnings of Canadian Pacific since July 1913.

Month.	Receipts, \$	Gross Expenses, \$	Net Receipts, \$	Month.	Receipts, \$	Gross Expenses, \$	Net Receipts, \$
July	-1,511,000	-1,173,000	-338,000	July	-1,511,000	-1,173,000	-338,000
Aug.	-1,516,000	-918,000	-598,000	Aug.	-1,516,000	-918,000	-598,000
Sept.	-1,403,000	-1,354,000	-49,000	Sept.	-1,403,000	-1,354,000	-49,000
Oct.	-5,197,000	-2,915,000	-2,282,000	Oct.	-5,197,000	-2,915,000	-2,282,000
Nov.	-5,350,000	-3,100,000	-2,244,000	Nov.	-5,350,000	-3,100,000	-2,244,000
Dec.	-4,370,000	-2,343,000	-2,027,000	Dec.	-4,370,000	-2,343,000	-2,027,000
Jan.	-1,807,000	-1,947,000	-140,000	Jan.	-1,807,000	-1,947,000	-140,000
Feb.	-858,000	-1,365,000	-507,000	Feb.	-858,000	-1,365,000	-507,000
Mar.	-1,594,000	-1,468,000	-126,000	Mar.	-1,594,000	-1,468,000	-126,000
April	-2,264,000	-1,607,000	-657,000	April	-2,264,000	-1,607,000	-657,000
May	-2,535,000	-2,015,000	-520,000	May	-2,535,000	-2,015,000	-520,000
June	-2,542,000	-1,885,000	-657,000	June	-2,542,000	-1,885,000	-657,000
Year	-30,950,000	-22,099,000	-8,851,000	Year	-30,950,000	-22,099,000	-8,851,000

All the factors referred to above more or less affect the operations of the railway proper, but as regards the special income account it is scarcely probable any diminution in income will be witnessed this year, for if the War continues until next summer the Company will derive a full year's benefit from the loan of its steamships to the British Admiralty, whereas for some of the earlier months of last year certain of the ships were not in operation by the Admiralty. The additional income from this source may, therefore, be sufficient to make good any falling-off that may occur in other items of the account.

As from October 1 next the Company's fleet of Atlantic and Pacific ocean steamships will be transferred to a new undertaking—Canadian Pacific Steamships, Limited—the Canadian Pacific receiving in exchange therefor £2,865,860 of 5% Debenture stock and all the £2,000,000 of capital stock except a few directors' shares. But this is merely an internal arrangement adopted for the purpose of eliminating from the operations of the railway all items that do not relate to the railway property itself, and in the opinion of the officers should conduce to greater operating efficiency. Therefore it should, if anything, prove beneficial to the stockholders.

Against \$13,383,000 of current and accrued liabilities at the end of June there were held, exclusive of materials and supplies, working assets of \$29,000,000, in which was included \$17,000,000 of cash. Against the net proceeds of land sales, amounting to almost \$66,000,000, there were deferred payments of \$48,760,000.

The price of the Ordinary stock is now about 161 3/4, at which the yield afforded from the 10 per cent. dividend is 6 3/4 per cent., allowing for exchange and accrued dividend. The prices of together with the yields afforded by the Company's securities are indicated herewith:

## Yields Afforded by Principal Securities of Can. Pac. Ry.

Description.	Amount Outstanding.	Date of Redemp- tion.	Rate.	Int or Div. Paid	Yield per An.
Algoma Branch 1st Mort.	£750,000	July 1937	5	J. & J.	99 1/2
St. Law. & Ott. 1st Mort.	£200,000	Irred.	4 1/2	J. 15 D.	78 1/2
Manitoba S.W. 1st Mort.	\$2,544,000	June 1934	5 1/2	J. & D.	97 1/2
Atlantic & N.W. 1st Mt.	\$1,330,000	Jan. 1937	5 1/2	J. & J.	98 1/2
Tor. Grey & Bruce 1st M.	£719,000	July 2882	4 1/2	J. & J.	88 1/2
Ont. & Quebec 5% Deb.	£4,007,382	Irred.	4 1/2	J. & D.	97 1/2
Do. Ordinary Stock	\$2,000,000	—	6 1/2	J. & D.	117 1/2
Cal. & Ed. 4% Deb. Stk.	£1,121,700	July 2002	4 1/2	J. & J.	78 1/2
Dom. At. 4% 1st Deb. Stk.	£500,000	Oct. 1944	4 1/2	A. & O.	85 1/2
Do. do. 4% 2nd do.	£250,000	July 1956	4 1/2	J. & J.	82 1/2
Nak. & Slocan 4% Gold	£131,400	July 1918	4 1/2	J. & J.	97 1/2
New Bruns. 1/2% Mort.	£600,000	Aug. 1934	5	F. & A.	109 1/2
Do. 4% Deb. Stock	£904,533	Irred.	4 1/2	J. & J.	78 1/2
Que. Cent. 1% 1st M. Deb.	£604,837	(*)	4 1/2	F. & A.	78 1/2
Do. 3 1/2% 2nd M. Deb.	£336,500	Jan. 1963	3 1/2	J. 15 J.	66 1/2
Do. 5% 3rd Mt. Bonds	£336,500	Jan. 1963	5 1/2	J. 15 J.	97 1/2
Do. Capital Stock	£571,300	—	4 1/2	J. 15 J.	95 1/2
C.P. 4% Perp. Deb. Stk.	£36,222,921	Irred.	4	J. & J.	86 1/2
Spec. Inv. Fd. Note Certs.	\$52,000,000	Mar. 2, '24	6	M. 2 S.	107 1/2
Vict. Rollz. Stk. Bonds	\$12,780,000	Jul 16-Ju 28	4 1/2	J. & J.	—
C.P. 4% Non-Cum Pref.	£16,173,563	—	4	A. & O.	79 1/2
Do. Capital Stock	\$260,000,000	—	10	*J.A.J.O.	161 3/4

(\*) New York price. (\*\*) 7% out of profits of Railway and 3% from special income account. (†) London price. (‡) Sterling issues. (§) Guar. by the Govt. of Brit. Columbia. (¶) Redeemable at 110% at any time after July 31, 1919, on 6 mos. notice by Co. (||) Leased to Canadian Pacific. The N. & S. Ry. and S. & O. Ry. leased by C. P. R. at rental of 40% of gross earnings. (b) Basis. (c) Guar. by C. P. R. (d) Not allowing for redemption. (e) Allowing for redemption of bonds at par at maturity.

## DELAWARE AND HUDSON COMPANY.

A SPECIAL meeting of the Delaware and Hudson Company is to be held on September 30 to authorise the issue of \$14,451,000 of 5% Twenty-Year Bonds, which will be convertible into Common stock after October 1917 at the rate of \$150 of bonds and \$100 of stock. The new bonds are to be offered to stockholders at par to the extent of 34 per cent. of their holdings, and are likely to be readily subscribed for. The new money is needed mainly for refunding purposes, presumably to redeem nearly \$14,000,000 of 4% Debentures falling due in June next. The addition to the interest charges of the undertaking will therefore be but slightly increased. The Delaware and Hudson is one of the important anthracite coal roads of the United States, and ranks among the financially strong undertakings of that country. Even in a year so full of difficulties as 1914 the net income available for interest charges amounted to \$10,200,000, or more than twice the sum needed for interest and other requirements, and the dividend earned on the stock was 12.7 per cent. For each year since 1906 9 per cent. dividends have been regularly distributed. In the first seven months of the current year the Company has carried 12 per cent. more anthracite coal than last year, but the shrinkage in other classes of traffic prevented gross earnings from showing improvement of more than a small sum. However, by reason of economies in conducting transportation and higher miscellaneous income the net profit for the June half-year improved, roughly, \$600,000. To some extent the Company is deriving advantage from the increase in freight rates granted at the end of 1914; but, on the other hand, is liable to suffer to some extent from the reduction in anthracite coal rates just ordered by the Interstate Commerce Commission. On balance, however, the earnings may not be appreciably affected, and not only will the new bonds be amply secured, but the right to convert into stock subsequently should be a valuable one. The present quotation of the stock in New York is 139.

## PARAGUAY CENTRAL RAILWAY.

The position of the Paraguay Central Railway Company at the present time is of an interesting and instructive character. The line is 255 miles in length, and stretches from Asuncion, the capital of Paraguay, to Villa Encarnacion, on the River Parana. Here it is connected with the Argentine railways by means of a steam ferry, and it is now possible to transport produce from Paraguay to Buenos Ayres, a distance of over 1,000 miles, without transshipment. This connecting link was only established in October 1913, and there is no doubt that, but for the untoward events of the last two years, a profitable interchange business would have already been built up. Unfortunately, things have gone contrariwise, and the appointment of a receiver and the non-payment of interest on the Prior Lien Debentures, due January 15 last, emphasise the severity of the crisis through which the Company is passing. This unsatisfactory state of affairs is, however, not due to mismanagement, but is attributable solely to a series of misfortunes over which the directors have no control. For many years the Company has struggled valiantly against adversity, and when, two years ago, a brighter dawn seemed to be in view, there appeared on the horizon ominous clouds in the shape of a world-wide restriction of credit, a universal reduction in trade, and, subsequently, the European War, all of which have seriously retarded the normal progress of the undertaking and brought about the present crisis. However, it is a long lane that has no turning, and, judged by the increases shown in recent traffic returns, a change for the better has already set in, which, having regard to the present state of European affairs, creating, as they are, an enormous demand for all descriptions of South American produce, may mean the turning point in the Company's career.

To appreciate the possibilities of the future one has only to glance at recent history and past results to see how well the Company stands at the present time to enable it to become a prosperous undertaking. The line was originally built many years ago, and the present Company was formed in 1889 to take over from the Paraguayan Government 45 miles of railway running from the capital, Asuncion, to Paraguarí. It was quickly extended to Villa Rica, a distance of 47 miles, and two years ago, as already stated, an extension 63 miles in length was made to Villa Encarnacion, on the River Parana, immediately opposite the northern terminus of the Argentine North-Eastern Railway. At the same time the gauge has been altered from broad to standard, and is consequently uniform with that of the Argentine systems.

Thus, whereas seven or eight years ago the Company owned a local railway buried in the heart of a continent without connection or outlet at its southern extremity, now the line forms part of a great trunk system giving the vast central region of South America access to the ocean. Seven years ago it was a broad gauge line, equipped with old and, for the most part, obsolete rolling-stock, faced with the seemingly impossible task of ever being anything better. Now it is a standard-gauge line, completely equipped with new locomotives and rolling-stock, all of the most modern type and construction. Unfortunately, the opening of the through route to Buenos Ayres synchronised with the set-back in trade and the financial crisis, with its adverse effect upon industrial activity the world over. However, notwithstanding these drawbacks, the new international traffic, more especially in cattle and fruit for the Buenos Ayres market, showed promise of rapid expansion, until floods in the Argentine interfered with operations, and for a time completely interrupted railway operations with the Plate. In spite, however, of the trade depression and the universal upheaval created by the War, interchange traffic between the two republics has increased in volume and, as things now are, should continue to grow at an accelerated rate. The

supply of cattle to meet the growing wants of the Argentine meat trade is undoubtedly coming in a large measure from Paraguay, and traffic in this direction will tend to increase as time goes on. With the wealth of Argentina rapidly increasing, the demand for Paraguayan fruit and tobacco, as well as timber and other products, will be greater than ever, and a steadily growing interchange business is likely to be built up. In addition to this, the Company will benefit from the cultivation on an extended scale of the new lands alongside its recent extension, and as the new districts are opened up and developed a marked improvement in general traffic should result.

As an indication of what the Company is likely to do in the future under the new conditions now obtaining, it may be pointed out that even in the past with everything against it substantial progress has been made. In the nine years from 1905 to 1914, for instance, the gross earnings advanced from under £42,000 to over £156,000, and the net earnings from about £15,000 to something like £66,000. Further considerable progress has been made in the past twelve months, but as the Company now publishes its traffic results in currency it is impossible to ascertain how far the sterling receipts have been effected by the continued growth of business. The increase in currency receipts was \$1,532,000, or 12 per cent., and although the sterling results may be less satisfactory owing to the high rate of exchange, the fact is apparent that traffic is steadily growing in volume and must sooner or later tell in favour of the Company.

To show the progress which the Company has made in recent years we set out in the accompanying table the main results of working since 1905:—

*Paraguay Central Railway.*

Year ended June 30	Miles Open	Gross Earnings £	Expenses £	Ratio %	Net Earnings £
1914 ... ..	234	156,000	82,000	52.56	74,000
1913 ... ..	232	146,511	80,574	54.99	65,937
1912 ... ..	232	111,983	67,474	60.25	44,509
1911 ... ..	168	120,022	68,601	57.16	51,421
1910 ... ..	156	97,126	48,789	50.23	48,337
1909 ... ..	155	77,446	45,029	58.14	32,417
1908 ... ..	155	86,208	50,827	58.73	35,381
1907 ... ..	155	73,198	48,761	66.61	24,437
1906 ... ..	155	55,208	32,639	59.17	22,569
1905 ... ..	155	41,955	26,728	63.63	15,227

The cost of the Encarnacion extension was about £600,000, while an expenditure of over £110,000 has been incurred on new rolling-stock and a further £30,000 on old broad-gauge stock, since converted to standard-gauge requirements. The total issued capital amounts to £3,412,930, and consists of the following:—

	£
6 % Prior Lien Debenture stock ... ..	600,000
7 % Three-Year notes (Series A and B) ... ..	600,000
6 % Three Year notes (Series C) ... ..	350,000
5 % Debenture stock ... ..	1,300,000
Ordinary shares (£10) ... ..	562,930
<b>Total ... ..</b>	<b>3,412,930</b>

In July of last year a scheme was devised for reorganising the capital of the Company, but owing to the financial dislocation caused by the War this had to be postponed, and after consultation with the principal stockholders a receiver was appointed to look after their interests until the reconstruction scheme could be consummated.

Apparently the Company is not earning its interest charges at the present time; but if all goes well and a capital reconstruction can be effected no long period is likely to elapse before it will become a very profitable undertaking. It is impossible to forecast the net outcome of the past year owing to inadequate data; but with an improvement of 12 per cent. in gross receipts the net results in sterling may not be less satisfactory than they were twelve months ago. Then the Company earned a net income of £66,000, and after paying the interest on the Prior Lien Debentures and 6 per cent. on the Three-Year notes, &c., there was a balance of £13,000—a sum equal to a dividend of 1 per cent. on the 5 per cent. Debenture stock. The

income statement of the Company for the last four years is set out beneath:—

<i>Paraguay Central Railway.</i>					
	1913-14	1912-13	1911-12	1910-11	1909-10
	£	£	£	£	£
Gross earnings ...	156,240	146,511	111,983	120,022	97,126
Expenses ...	90,074	80,574	67,474	68,601	48,789
Ratio...	(57.65)	(54.99)	(60.25)	(57.16)	(50.23)
Net earnings ...	66,166	65,937	44,509	51,421	48,337
Miscellaneous income ...	37	3,955	2,502	1,691	4,315
Total income ...	66,203	69,892	47,011	53,112	52,652
6 % Prior Lien Debs. ...	36,000	36,000	35,827	31,958	25,886
Surplus ...	30,203	33,892	11,184	21,154	26,766
6% Three-Year notes ...	15,119	—	—	—	—
Miscellaneous charges...	2,078	6,139	4,306	800	11,488
Balance ...	13,006	17,450	6,878	20,354	15,278
Renewal account ...	—	5,000	—	—	—
Balance ...	13,006	12,450	6,878	20,354	15,278

With the exception of the 6 per cent. Prior Lien Debenture stock no dealings have taken place in the securities of the Company since July of last year. At that time the 5% Debenture stock stood at 35 per cent., and the Ordinary £10 shares at 4½. The latest quotation for the 5% Debenture stock is 60.

### LIPTON, LIMITED.

At the annual meeting of Lipton, Limited, in July 1914, Sir Thomas Lipton pointed out that following on the result of certain legal proceedings plans were under consideration for the reorganisation of the board of management, and the report for the twelve months to March 1915 mentioned the names of three new directors, namely, Mr. Alfred Bowker, Mr. Robertson Lawson, and Mr. Henry L. Peters. Since their appointment an exhaustive examination has been made by these three gentlemen into the affairs of the Company generally, "with the result that discrepancies in certain of the stocks were discovered. These, with losses realised on certain investments which had been made, and costs incurred in connection with various matters which formed the subject of litigation, had diverted a substantial amount of working capital from the ordinary requirements of the business. It is with satisfaction that the directors have now to state that Sir Thomas Lipton, Bart., has made arrangements whereby the Company will not suffer any loss of capital in regard to these matters." Accompanying this unsatisfactory statement the shareholders have to be satisfied with a reduction in profit, the trade profit falling off from £310,534 to £269,952. Moreover, the allowance for depreciation has had to be increased from £23,201 to £41,875. The result is that the net profit for the twelve months to March 1915 is only just about half that reported for the previous year, amounting to £80,797, as compared with £160,286, so that after providing for the Debenture interest and dividend on the Preference capital it is necessary to pass the Ordinary dividend, the surplus of £10,797 being added to the carry-forward, bringing it up to £57,786. Herewith we set out the profit statement for each of the past five years:—

	Year ended March 1, 1915	1914	1913	1912	1911
	£	£	£	£	£
Trading profit ...	269,952	310,534	311,294	302,902	254,256
Transfer fees, &c. ...	17,000	1,115	4,312	4,306	4,394
Total profit ...	272,182	311,949	315,606	307,208	258,650
Interest on debentures ...	123,542	121,490	102,456	94,854	97,966
Interest on preference shares ...	19,796	3,747	1,406	—	4,598
Dividend on preference shares ...	—	6,225	5,266	5,112	1,589
Depreciation ...	41,875	23,201	41,095	51,341	4,811
Net profit ...	80,797	160,286	162,544	151,945	146,107
Interest on preference shares ...	20,000	20,000	20,000	20,000	20,000
Preference dividend ...	50,000	50,000	50,000	50,000	50,000
Ordinary dividend ...	nil	75,000	75,000	75,000	75,000
		(6%)	(6%)	(6%)	(6%)
Balance ...	1,197	15,286	17,844	6,945	1,097
Brought forward ...	46,889	31,703	14,159	7,214	6,107
Carried forward ...	57,786	46,989	31,703	14,159	7,214

At March 13 last the share capital paid up amounted to £2,250,000; there was also in issue £500,000 of 4% Debenture stock, while the Company had an overdraft with its bankers of £117,476. The reserve amounted to £145,000. Twelve months ago

there was, in addition, a share-premium account of £220,889, but this has been used for special depreciation purposes. The total assets were valued at £3,744,544, of which properties, goodwill, &c., stood at £1,840,223. At the meeting on August 24 Mr. Robertson Lawson, the Deputy Chairman, pointed out that the goodwill stands at the same figure as it has always done, namely, £1,445,620. Herewith we set out a summary of the liabilities and assets as at March 13 last:—

LIABILITIES.		ASSETS.	
	£		£
Share capital ...	2,250,000	Properties, goodwill, &c. ...	1,840,223
4% Debenture stock ...	500,000	Plant, machinery, &c. ...	399,019
Bank payable ...	175,243	Stocks in trade ...	786,939
Overdraft from bank ...	117,476	Sundry debtors ...	548,017
Sundry creditors, &c. ...	318,832	Unexpired insurances ...	8,416
Savings bank deposits ...	155,208	Investments ...	82,125
Reserve ...	145,000	Cash ...	79,806
Profit and loss ...	82,785		
	3,744,544		3,744,544

Naturally the speeches at the annual meeting dealt with the matters raised in the report, namely: (1) the losses incurred and consequent depletion of working capital, and (2) the depreciation of certain assets not hitherto adequately provided for. Mr. Robertson Lawson dealt quite fully with both these items, pointing out that on making an examination of the position generally it seemed that certain of the stocks carried were too heavy for the business being done, and on applying tests serious discrepancies were discovered. A complete independent stock-taking ensued, and revealed the fact that stocks had been seriously overstated in previous accounts and were deficient to a considerable amount. In addition to the differences in the stocks they were faced with a substantial shortage of capital in consequence of several speculations having been entered into which also resulted in considerable loss. These speculations were made for the purpose of developing outside business in various parts of the world, "but arrangements in regard to these were of an extremely unsatisfactory nature, and were largely conducted by the late General Manager himself without proper sanction from the late board or without their full knowledge." Altogether, including the deficiencies of stocks, from the point of view of actual working capital the position was found short by nearly £250,000. Sir Thomas Lipton has agreed to the repayment of this deficiency under the terms of an agreement which the directors consider satisfactory, and thereby the Company will be placed in a position of having a substantial amount of working capital replaced which had been diverted from its true purposes. Mr. H. L. Peters, the managing director, dealt generally with his plans for the future conduct of the business, and said: "We propose to direct our attention to the extension of the business in its home trade by means of additional branches, and also to the development of its export trade. It has always been the policy of Lipton's to sell cheaply, and that course will be continued, but there is a material difference between selling cheaply and in useless cutting of prices. Competition in prices has, in my opinion, been carried on without regard to a proper ratio of profit, and while we shall, by improved organisation and with the assistance of the reinstatement of working capital referred to by the Chairman, be able to meet the competition of our trade rivals by buying to better advantage, we have no intention of sacrificing that legitimate rate of profit that should give the shareholders a fair return on their investment. It is generally known that, with regard to some of the great staple articles of food, the opportunities for making profit that were possible formerly do not exist under the war conditions to-day, and also that difficulties have to be faced in the increased cost of materials, labour, and transit. In such a situation it is desirable that the utmost efforts should be made to increase the volume of trade."

We think the shareholders acted wisely in withdrawing a demand for the appointment of a Shareholders' Committee and in deciding to leave the new

board to carry out their proposals for placing the business on a satisfactory basis. Doubtless it will meet a very considerable amount of hard work, but the directors are fully prepared to undertake it. There is every reason to believe that the business is inherently a sound one, and given satisfactory management and ordinary organising ability it should be possible to earn satisfactory dividends for the shareholders. That the business is sound may be gathered from the fact that progress has been made even under slack management, and with the greater energy that the new members of the board will undoubtedly put forth it may be anticipated with considerable confidence that the future of the Company will prove, if anything, more successful than the past has been. The £1 Ordinary share may be obtained at about 14s., and the £1 Preference shares at 15s. 3d., while the Debenture stock is quoted at 79. This may be seen from the following:—

Amount £	Description	1st £	Price £	Div. %	Approx. Yield £ s. d.
300,000	10% Debenture stock	100	79	4	5 2 14
1,000,000	5% Ordinary Preference	1	15 3	5	6 11 8
1,200,000	Ordinary shares	1	14 0	nil	—

## SANDOW'S COCOA FIASCO.

ON the appearance of the prospectus of Sandow's Cocoa and Chocolate Company, Limited, in April 1912, we characterised it as one of the most peculiar applications for public money that we had come across for many a long day; and we added, "The whole issue is far too speculative to have any attractions for a cautious investor, and, indeed, strikes us as being peculiarly impudent." In spite of this and other warnings from the Press, a certain number of people decided to risk their money, inasmuch as the capital offered was subscribed. The business was only established in the autumn of 1911, but by reason of extensive advertising and distribution of free samples a certain demand for the Company's product was manifested, and from the commencement of business in October 1911 to the end of January 1912 the accountants certified profits of £8,302, but this was before charging for advertising, remuneration of directors, and interest on capital. The vendor coolly asked a sum of no less than £175,000 for goodwill, though it is true that it was satisfied by the allotment of the Ordinary shares. In the circumstances it is not surprising to find that the Company has had an altogether inglorious career. The first accounts showed that, after providing for expenses and advertising, there was a net profit of £1,289, and, consequently, no dividend on either Preference or Ordinary capital was possible. For the following year, after providing for expenses and advertising and a sum of £14,521 for depreciation, there was a loss of £33,239. Again, naturally, no dividends were forthcoming. For the twelve months to April 30, 1915, after reducing expenses from £37,337 to £19,899, advertising from £23,299 to £7,422, and making no allowance for depreciation, a net profit is shown of £4,839, which enabled Debenture interest of £3,329 to be paid, leaving a balance of £1,510. Again, naturally, no dividends are forthcoming. The results secured by the Company since its formation may be seen from the following:—

Year ended April 30, 1915	1914	1913
Gross profit	41,773	85,118
Transfer fees, &c.	116	6,616
Profit	41,919	92,114
Advertising	37,337	23,299
Amortisation	7,422	14,521
Depreciation	14,521	—
Net profit	4,839	Loss 20,200
Debenture interest	—	—
Preference dividend	Nil	Nil
Ordinary dividend	Nil	Nil
Profit	1,510	Loss 20,200
Transfer fees, &c.	—	1,289
Carried forward	Loss 32,636	Loss 31,950

\* Includes £1,000 for depreciation on goodwill, £1,000 for depreciation on goodwill.

The whole of the nominal capital, with the exception of 302 Preference shares forfeited, has been paid

up, making a total of £349,698. There has been issued 6% Profit-Sharing Debenture stock, which, with interest accrued, amounts to £65,578. The total assets, including the debit balance of profit and loss account of £32,636, are shown as £445,880, of which goodwill is represented as £176,861, and patent rights as £50,451. Practically the only tangible assets are those of property valued at £98,318, sundry shares at £9,250, cash at £3,150, a deposit of £2,885, and stocks of cocoa, &c., valued at £18,014. A synopsis of the balance sheet as at April 30 last is appended:—

LIABILITIES	ASSETS
1. Profit and loss	£ 98,318
2. 6% Profit-Sharing Stock	£ 65,578
3. Goodwill	£ 176,861
4. Patent rights	£ 50,451
5. Property	£ 9,250
6. Cash	£ 3,150
7. Deposit	£ 2,885
8. Stocks of cocoa, &c.	£ 18,014
9. Patent rights, &c.	£ 50,451
10. Profit and loss	£ 32,636
11. Total	£ 445,880

The report of the directors presented at the meeting on August 24 drew attention to the smallness of the cash working capital making it very difficult in financing the purchase of raw material, and it pointed out that without the provision of further working capital and without the erection of machinery for the manufacture of chocolate it would be impossible to carry on business, "that in the course of two or three months at the present rate the resources of the Company would be exhausted, and that unless the shareholders are prepared to provide some capital now to save the business the inevitable result will be foreclosure by the Debenture-holders and total loss." A minimum sum of £10,000 is required, though "it is eminently desirable that the working capital should be greater." To raise the amount it is proposed that 75,000 Pre-Preference shares of 2s. each be created, taking 99 per cent. of the profits available for dividends, giving each Preference shareholder the right to subscribe for one new share in respect of each Preference share held, being the equivalent of a 10 per cent. assessment upon the shares under a reconstruction. In order to wipe out the intangible assets it is proposed to write down the capital, the suggestion being that the £1 Preference shares should be written down to 4s. per share and the £1 Ordinary shares to 6s. per share, the existing share capital of £350,000 thus being reduced to £39,375. Under the scheme, therefore, no less than £310,625 of the existing capital will be written off as unrepresented by available assets, and it is proposed to use this sum to write off goodwill account, investments in Sandow's Health Foods, Limited, commission on issue of Debenture stock, extraordinary expenditure, preliminary expenses account, and profit and loss account, reducing the patent rights and trademarks from £50,451 to £2,137, the various items being those marked with a star in the figures of the balance sheet given above. It will be realised that the scheme is a drastic one. At the meeting held to consider the question there was not a quorum present, under the Articles of Association, so that the meeting had to be adjourned. The shareholders appointed a small committee to consult with the directors on the position and report at the adjourned meeting. The directors say that they are encouraged to believe from the reports received from their Sales Manager that with chocolate machinery (the provision of which will be made possible by the new capital) "and in view of the first-class character and reputation of the cocoa now produced, the business of the Company is likely to expand." This is very distinctly a cautious opinion, and the shareholders have to consider whether in all the circumstances it is advisable to provide the extra capital to keep a business going which has only yielded such poor results in the past. In the circumstances we are frankly of opinion that it would be a case of throwing good money after bad, and suggest that it

would be advisable to allow the Company to be wound up and the assets offered for what they will bring. It may perhaps be fair to add that the board as at present constituted is not identical with that at the formation of the Company, though three of the five have been connected with it throughout.

### MILLARS' TIMBER AND TRADING COMPANY.

DURING the first six months of the year 1914 the result of the Company's trading was satisfactory, but the second half of the year was naturally affected by war conditions. Altogether, however, the profits for the year closely approximated those for the year 1913, the net trading profit before providing for depreciation amounting to £176,976, as compared with £181,669. Allowance for depreciation reserve was increased from £50,000 to £68,000, and after providing for Debenture interest and Preference dividend there was a surplus of £36,205. It was decided not to pay any dividend on the Ordinary share capital, the surplus being added to the carry-forward, bringing it up to £73,412, the desire being to strengthen the resources of the Company.

We show herewith the manner of distributing the profits for each of the past five years:—

	Year ended December 31	1914	1913	1912	1911	1910
		£	£	£	£	£
Trading profit less General expenses	...	176,976	181,669	157,035	179,986	191,617
Depreciation reserve	...	68,000	50,000	50,000	50,000	50,000
	...	108,976	131,669	107,035	129,986	141,617
Debenture interest	...	21,771	21,664	22,157	22,218	22,802
	...	87,205	110,005	84,878	107,768	118,815
Preference dividend	...	51,000	51,000	42,427	35,525	33,042
	...	36,205	59,005	42,451	72,243	85,773
Ordinary dividend	...	Nil	51,000	42,500	80,792	81,192
	...	—	(6%)	(5%)	(10%)	(10%)
Balance	...	36,205	8,005	—49	—8,549	4,581
Brought forward	...	37,207	29,202	29,251	37,800	33,219
Carried forward	...	73,412	37,207	29,202	29,251	37,810

We may point out that the Company is an amalgamation of eight companies engaged in the hardwood industry in Western Australia, the amalgamation being brought about by the very bad results secured by the companies working individually, owing to keen competition and consequent rate-cutting. It was thought that a combination of the companies would enable economies to be made in working costs; that the question of supply and demand could be better regulated; and that excessive competition would be eliminated. To a large extent these anticipations have been verified. But, nevertheless, for six years after the amalgamation it was not possible to make any distribution on the Ordinary shares. This unfortunate state of affairs was due to three main causes. First of all the Company was unable to maintain the minimum output which had been decided upon as feasible, the reason being largely due to the fact that the Government of Western Australia made a very large increase in the railway and wharfage rates, the advance in the former ranging from 47 per cent. to 64 per cent., and in the latter to 100 per cent., and the increased costs thereby brought about naturally caused a diminution in demand. A second cause of the poor results is to be found in the unfriendly relations that ensued between the Company and the Government, and thirdly, there have been more or less continuous disputes between the Company and its employees. And on the whole it is probable that the labour troubles in one form or another have been the main cause for the poor results shown by the Company. But from 1907 on a change occurred in the position. Not only was the Company able to secure a better state of things with regard to labour, but it also brought about more cordial and friendly relations with the Western Australian Government, and the result was that profits gradually rose, until for 1910 they touched £199,171.

Since 1910 the profits have been maintained at a

fairly good figure, though showing some little fluctuation. Labour difficulties were not altogether absent, but on the whole until the outbreak of war the Company did fairly well. Notwithstanding the general disturbance of financial affairs occasioned by the War the standing of the Company enabled it to finance its trade without difficulty. The War did not immediately diminish overseas shipments, but it at once largely reduced the local trade in Australia, which had already been adversely affected by the successive droughts which had caused heavy losses to the primary industries of the Commonwealth. It soon became apparent that the general financial stringency would cause customers to restrict as much as possible their expenditure on construction and maintenance works for which the Company's exports are mainly used. Steps were taken to reduce the output, but the directors were able to keep nearly all the mills in Western Australia running until April in the present year, when it was found necessary to close most of them. "By that time owing to the enormous absorption of tonnage for war purposes great difficulty was experienced in obtaining vessels, and the rates of freight advanced to a point when it became impossible to continue the export trade except at a loss. The decision to close down was arrived at with reluctance and regret, for it meant discontinuance of employment of a large number of men whose services the directors were loth to dispense with." An attempt was made to reduce costs. Seeing that the demand was sure to diminish, and knowing that the cost of tonnage would be increased, the directors endeavoured to get down the cost of production in Western Australia. That cost depends upon the wages paid to the men, the railway freights and wharfage dues paid to the Government. The Government are the largest employers of labour, and, consequently, for all practical purposes, regulate the rates of wages paid throughout Western Australia. Accordingly the Company made a proposal that there should be an endeavour made to reduce the rate of wages, and that the wharfage and railway rates should be reduced, in order to diminish the cost of production, and so compensate to some extent for the increased freights. But the proposals were rejected by the Western Australian Government. It will be realised however, that the ill-effects arising from the War were not fully felt by the Company during the year 1914, and that the result of the present year's working appears likely to be more seriously affected. And this is the reason that the directors have decided not to pay any dividend on the Ordinary capital, but to use profits for strengthening the resources. At the meeting the Chairman stated that so long as the War lasts, so long as freight conditions remain as they are, and so long as compulsory economy is forced upon all governments and municipalities and people, this Company can hardly expect to do more than earn its Preference charges. It will, therefore, be realised that the board undoubtedly took a proper step in passing the dividend and keeping its funds in hand. There is a total issued share capital of £1,700,000, in addition to an issue of £340,741 of Debenture stock. Loans have been secured amounting to £173,914, and there are shown reserve accounts totalling £535,517, but of this £528,000 represents a depreciation reserve. The total assets are valued at £3,032,387, the main item being purchase account, standing at £1,705,580. Herewith we summarise the items of the balance sheet as at December 31 last:—

LIABILITIES		ASSETS	
	£		£
Issued capital	1,700,000	Purchase account	1,705,580
Debenture stock	340,741	Property	100,000
Loans, &c.	173,914	Subsidiary companies	330,549
Reserve account	535,516	Stocks	501,594
Sundry creditors	145,287	Sundry debtors, &c.	203,190
Bills payable	63,517	Bills receivable	7,140
Profit and loss	73,412	Debenture stock trustees	80,433
		Discount, &c.	4,927
		Cash	99,074
	3,032,387		3,032,387

It is very evident that the immediate outlook is far from encouraging, and the Chairman has very

clearly foreshadowed the practical impossibility of providing for a dividend on the ordinary shares for the current year. Taking a longer view, however, the situation is somewhat cheering, inasmuch as it may be anticipated that there will be a large demand for construction timber when the War is over. "The difficult factors are whether money will be forthcoming to undertake the necessary works, and whether freight will be available for transporting the timber." Provided the Company is soundly administered from the financial point of view, and well managed from the practical point of view, it should have little difficulty in obtaining a fair share of any business offered, and though the outlook for the immediate future is far from cheering, it may fairly be anticipated that ultimately the tide will turn, and possibly the shareholders will be rewarded for the unsatisfactory times through which they are now passing.

The following are the current prices of the Company's securities and the yields afforded on the basis of the last dividend paid:—

Amount	Description	Per	Price	Dividend	Yield
£		£	£	%	£ s. d.
540,711	Debenture stock	100	90	4½	5 0 10
800,000	Ordinary shares	1	13 6	6	9 0 0
800,000	Ordinary shares	1	7 6	Nil	-

#### ABOBSO GOLD.—Issued capital, £400,000, in £1 shares

Year ends	Tons	Value	Estimated Expenses	Approximate Profit	Price end of				
June 30	Stps. Milled	£ Per Ton	£ Per Ton	£ Per Ton	Per Ton				
1913 14	39av. 87,752	152,303	34 8	122,109	27 9	26,985	6 11	3½	
1914-15.									
Sept. qr	40	24,779	45,785	37/1	39,515	31/1	2,996	2/5	—
Dec. qr.	—	28,535	49,474	35/1	28,706	27 2	7,428	5 2	—
Mar. qr.	—	26,215	44,182	33 8	34,293	26/2	8,252	6/4	1½
Apr ...	—	9,303	15,539	33 4	11,861	25 6	2,734	5 11	1½
May ...	—	9,121	13,519	24 7	9,421	25 9	1 102	2/5	8 9
June ...	—	9,357	13,281	24 4	11,112	23 9	1,188	3/2	7 6
12 mos.	—	107,240	182,207	33 11	144,608	27 0	24,010	4/6	7/6
1915-16.									
July ...	—	9,257	13,996	30 2	—	—	—	—	7/6

Working costs allow 4s. per ton for development redemption.

\* After allowance for depreciation and taxes.

Cyanide clean-up incomplete owing to shortage of sulphuric acid.

Dividends per cent.—1912, Dec., 5; 1913, Oct., 5.

#### ALASKA MEXICAN.—Capital, \$900,000, in \$5 shares.

Milling results have been as follows:—

Year ends	Ore Milled	Gold Yield	Per Ton	Total Working Costs	Per Ton	Net Profit	Per Ton	Price of Shares
Dec. 31	Tons	£	Per Ton	£	Per Ton	£	Per Ton	end of Period
1912 ...	233,299	135,824	11/8	73,753	6 4	62,071	5 4	2½
1913 ...	222,112	98,000	8/9	64,840	5 10	33,160	2/11	1½
1914 ...	233,457	101,804	8/8	67,764	5/9	34,040	2/11	—
1915.								
Mar. qr.	56,265	22,400	7/11	15,849	5 7	6,551	2/4	1
June qr.	50,110	18,255	7/4	15,155	6/1	3,140	1 3	1½
July ...	14,700	4,300	5 10	4,000	5 7	220	- 3	1½

Dividends per cent.—1910, 38; 1911, 14; 1912, 25; 1913 20; 1914, Feb., 4; May, 4; Aug., 4; 1915, Feb., 4; May, 4; Aug., nil.

#### ALASKA TREADWELL.—Capital \$5,000,000, in \$25 shares.

Milling results have been as follows:—

Yr. ends	Ore Milled	Gold Yield	Per Ton	Total Working Costs	Per Ton	Net Mining Profit	Per Ton	London Price of Shares
Dec. 31	Tons	£	Per Ton	£	Per Ton	£	Per Ton	end of Period
1912 ...	892,192	441,177	9 10	214,461	4 9	226,716	5/1	8½
1913 ...	886,057	471,684	10/7	226,997	5/1	244,687	5/6	7½xd
1914 ...	909,794	457,124	10/1	222,034	4/11	235,090	5/2	—
1915.								
Mar. qr.	221,500	88,100	7 11	57,440	5/2	30,720	2 9	7½
June qr.	206,066	88,501	8/7	56,803	5/6	31,698	3/1	7½
July ...	18,700	26,040	7 7	23,440	6 9	2,700	- 10	7

\* Smaller tonnage due to breakdown of central hoist on June 19.

\* Including construction expenditure.

Dividends per cent.—1912, total 13. 1913, Feb., 4; May, 4; Aug., 4; Nov., 4; Dec., 4 (bonus). 1914, Feb., 4; May, 4; June (bonus), 3; Aug., 4; Sept. (bonus), 3; Nov., 4. 1915, Feb., 4; May, 4; Aug., 3.

#### ALASKA UNITED.—Capital \$901,000 in \$5 shares. Recent operating results given below:—

Year to	Ore Crushed	Gold Yield	Per Ton	Total Costs*	Per Ton	Net Profit	Per Ton	Price of Shares
Dec. 31	Tons	£	Per Ton	£	Per Ton	£	Per Ton	end of Period
1913 ...	448,427	206,779	9 3	137,613	6 1	71,913	3 2	3½
1914 ...	458,314	193,158	8 5	159,401	7/0	33,357	1 5	—
1915.								
Mar. qr.	125,900	55,640	8 10	36,960	5/10	18,880	3/0	3
June qr.	135,400	54,440	7/1	44,940	6 1	11,400	1/8	3½
July ...	43,000	17,620	8 2	12,420	5/9	5,200	2/5	3½

\* Including outlay on plant written off.

Dividends per cent.—1912, 36; 1913, Feb., 14; May, 12; Aug., 10; Nov., 10. 1914, Feb., 6; May, 4; Aug., 4; Nov., 4. 1915, Feb., 6; May, 8; Aug. 8.

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## Insurance Notes.

### LONDON LIFE ASSOCIATION, LIMITED.

THE system of assurance as successfully practised by this admirable mutual life office since its foundation in 1806 has been frequently described in these columns. The premiums charged for ordinary participating assurances are somewhat higher than the average, roughly, perhaps, by about 20 per cent., but after payment of seven years' premiums they are much reduced through application of profits to provision of abatements. These reductions are from time to time increased, and in some cases the premium is eventually not only nullified, but, concurrently with cessation of payments, profits are accumulated in respect of the further duration of the policy. There are at present 10 series of policies, and in the first or oldest series the rate of reduction is 121 per cent. In their cases the equivalent of 21 per cent. of the premiums is accumulated at compound interest as an addition to the sums assured. For the second, third, fourth, fifth, sixth, seventh, eighth, and ninth series the reductions are respectively 111, 96, 86, 76, 66, 56, 54, and 53 per cent. Although these abatements are not permanently guaranteed, they have never in the history of the Society been less in any year than has been previously declared, and actuarial provision is made at annual valuations for their maintenance throughout the duration of subsisting policies. The tenth series of members was opened on July 1, 1914, with a rate of reduction less by 1 per cent. than that of the ninth series, and in this series a reduction at the rate of 60 per cent. is estimated as probable under normal circumstances in the eighth year of assurance. Members can apply the proportion of premiums represented by reductions at their option to provide additions to the sum assured, the amounts of the abatements being accumulated at 10s. per cent. less than

the net rate of interest earned by the Society on its funds. This concession was introduced in 1912.

An alternative scheme allows policies from the commencement to be effected at so-called minimum rates of premiums, the rates being lower than those usually charged for non-participating assurances, while the policies have a prospect of future participation in profits.

The results achieved in the way of profits have been extraordinarily good, and the Society by virtue of its constitution and regulations is in a privileged position to earn a good rate of profits in future. No commission for the introduction of business or collection of premiums is paid, no agents being employed, and the expenses of management are lower than in any other contemporary life office. The system under which new members join the Society on their own initiative has favourably influenced the class of lives assured, and the incidence of mortality has always been much lower than anticipated by the actuarial tables employed. Hence economy and longevity have been especially productive as bonus-earning factors.

While the systems as described have given great satisfaction, there is a considerable section of the life-assuring community who favour that of annual premiums of fixed amount, the profits being applied to reversionary additions to the sum assured, and the declaration of bonuses in this form at a uniform but compound rate (bonuses being calculated not only on the sum assured, but on subsisting bonus additions at a fixed percentage) is evidently extremely popular. To meet such requirements the Society announced in its annual report for 1913 that an alternative system of this kind for new assurances and endowments would come into operation on July 1, 1914. The premiums charged for these assurances (specimen rates for which were given in THE STATIST of May 2, 1914) are considerably less than those charged in any other British life offices for such descriptions of policies. Yet it is anticipated after actuarial investigation that new London Life policies of this kind would become entitled to compound reversionary bonuses of 35s. per cent. per annum, and such bonuses compounded annually, as in the London Life, are equivalent to similar bonuses of 36s. per cent. per annum when compounded quinquennially as in most other institutions. This standard of bonus is nevertheless one of the highest attained by life offices where higher premiums are charged. A minimum annual compound bonus of 30s. per cent. is guaranteed on such policies for each year up to 1925. Under these conditions the scheme is very attractive, and when it becomes more widely known there should be a large demand for the policies thus offered.

Indeed, it appears that the new scheme has already found many supporters, for although only operative for six months during 1914 the policies of this kind effected represented nearly one-fifth of the number of all descriptions of life assurances issued by the Society in that year. The new business completed exceeded all previous London Life records. Life policies for £957,458 were issued, of which £142,500 was re-assured, the net retention being £814,958, as compared with £514,745 in 1913. It is a tribute to the growing popularity of the Society that its net new business should show a net increase of about 60 per cent. in a year when business for the last five months was disconcerted by war conditions. This experience will probably be found to be unique in the life assurance history of the year. Apart from life business, new policies for pure endowments assuring £88,178 were issued.

The Association's net life premium income was increased in 1914 by £26,437 to £430,512, of which expenses of management absorbed only about 4.2 per cent. This is believed to be the lowest expense ratio in any life office in the world. The sum of £11,566 was received as consideration for new annuities granted. Interest earnings, after deduction of tax, amounted to £223,091, the net yield being £4 4s. 11d.

per cent., as compared with the valuation assumption of 3 per cent. The rate of interest for the year beginning July 1, 1915, in connection with the scheme for accumulation of reductions above described is accordingly £3 14s. 11d. per cent.

Turning to the debit side of the revenue account we find that the claims by death amounted to £283,119, as compared with an "expectation" of £373,669. The incidence of mortality is reported to have been mainly amongst old lives, and the estimated profit from this source is £53,457. War mortality during 1914 only accounted for claims of £5,600, but it is pointed out in the directors' report that this is no guide for the future, since a very large number of members have volunteered for foreign service, the risk of which in the great majority of these cases is covered by the ordinary premiums payable on their policies. Endowment assurances matured by survivorship last year to the extent of £12,400. Surrenders and other voluntary allowances paid amounted to £37,252. Allowances of £218,018 were made in respect of reductions of premiums, of which £8,267 was held for accumulation.

The directors report that, in the absence of any trustworthy basis of valuation of securities, they adopted the suggestion of the Board of Trade, and valued their Stock Exchange holdings at the prices of December 31, 1913, or at or below cost price in the case of any acquired since that date. They have declared the same rates of reduction in premiums as in the former twelve months for the year commencing July 1, 1915, and have been able out of the year's surplus to apply £100,000 in writing down Stock Exchange securities, and to carry £5,000 to a special reserve in respect of the contingent guarantee of reversionary bonus. The bonus for the year on the new reversionary bonus policies is declared at the rate of 35s. per cent., exceeding the guaranteed amount by 5s. per cent.

The total assets as shown in the balance sheet on December 31, 1914, amount to £5,506,556. With the reserve, the value of the securities estimated as above described is reported to exceed in the aggregate the amount at which the securities are included in the balance sheet by over £140,000.

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CONSOLIDATED GAS ELECTRIC LIGHT AND POWER CO. OF BALTIMORE.—Dividend of 3 per cent. on the Preferred stock, and the usual quarterly dividend of 1½ per cent. on Common stock.

INTERNATIONAL MERCANTILE MARINE CO.—To holders of stock trust certificates for Preferred stock and Common stock of International Mercantile Marine Company. Holders are again notified that exchanges of stock trust certificates for stock certificates may be made at the agency of the Voting Trustees, No. 51 Newark Street, Hoboken, New Jersey, pursuant to the previous notice of the Voting Trustees, dated December 23, 1914, terminating the Voting Trust. The attention of certificate-holders is called to the notice dated August 3, 1915, published by the Committee for the Reorganisation of the International Mercantile Marine Company, calling upon holders of stock trust certificates who desire to participate in the proposed reorganisation to deposit their certificates on or before September 15, 1915, with the New York Trust Company, Depositary, 26 Broad Street, New York, or with the Fidelity Trust Company, Agent, Philadelphia, Pennsylvania, or with Adolph Boissevain and Company, Agent, Amsterdam, Holland, or with Glyn, Mills, Currie and Co., Agents, 67 Lombard Street, London, and stating that copies of the reorganisation plan may be obtained at such depositary or agents. Certificate-holders must act individually in protection of their interests under such plan, as no action in the premises will be taken by the Voting Trustees. Dated August 19, 1915.

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NOBEL-DYNAMITE TRUST.—In our Reports of Meetings columns on a subsequent page will be found the observations of the Chairman at the meeting of this Company and an abridged report of the transactions. The position of the Trust, with figures covering results for several years past, were given at page 532 of THE STATIST of May 29, 1915, and the aim of the reorganisation was dealt with in THE STATIST of August 14, 1915, at pages 273-4.

Scottish Provident Institution.

(ESTABLISHED 1837.)

Funds amount to £16,000,000.

ANNUITIES.

Revised and favourable Rates  
may be had on Application.

HEAD OFFICE

6 St Andrew Square, EDINBURGH.

LONDON

3 Lombard St., E.C.

WEST END:

17 Pall Mall, S.W.

THE CONSOLIDATED

Assurance Company, Limited.

ESTABLISHED 1903.

Subscribed Capital .. .. £500,000

Paid-up Capital .. .. £75,875

FOR REINSURANCE BUSINESS

BY TREATY OR OTHERWISE.

FIRE—LIFE—ACCIDENT, &c.

Fire and General Departments.

Registered Office and Life Dept.

10 St. Swithin's Lane, London, E.C.

9 Fleet Street, London, E.C.

Manager: J. HERBERT E. LANE.

Actuary and Secretary:

CHAS. WINDETT.

Commercial.

SPELTER.

THE slightly firmer aspect of the market for spelter has evoked a little fresh interest in this metal, the price of which, after advancing fully £100 a ton for ordinary qualities to about £120, relapsed lately to about half that figure. The advance practically killed the demand for the metal, except in so far as national requirements were concerned, and for many weeks buying was limited to comparatively small tonnages, and these merely for the filling of immediate and urgent needs. The development within the past week or so of more general inquiries has, however, given a fresh fillip to the market; but in view of the hugely increased output in America and the preparations in full blast everywhere else to force production, the future can only bring much lower figures, though manipulation may meantime rule the roost. Nothing is more disappointing as regards spelter than the Hun occupation of Belgium and France and their large spelter-producing areas, and until the western forces make a forward movement the European position of spelter cannot be fundamentally altered.

Spelter production in the United Kingdom is being kept down, and has been kept down, solely by the lack of labour. With intelligent handling of the position by the authorities the very successful manœuvres of German-American interests to corner the British Government would have been stillborn, for there is not, and never has been, any lack of furnace material. Indeed, our ports have been congested with ores and concentrates, and furnace material is still a drug in the market. Once the Continent was closed to the Broken Hill product, everything available necessarily came here, but under "special permit" a number of cargoes have been shipped to the United States for treatment, and quite recently further sales have been made to America. The following table shows the export of zinc concentrates from Australia and the destinations during

Recent years, the 1914 figures not yet being available:

To	1911 Tons	1912 Tons	1913 Tons
United Kingdom .. .. .	16,000	21,000	19,000
Belgium .. .. .	316,000	304,000	298,000
France .. .. .	25,000	29,000	27,000
Germany .. .. .	43,000	69,000	83,000
Holland .. .. .	25,000	39,000	50,000
Total exports of zinc concentrates ..	425,000	462,000	477,000

The metallic content of the above ran 46 per cent., there or thereabouts, and the recovering of Belgian and French territory from the grip of the Huns is of prime importance in connection with the price of spelter.

It has been suggested in some quarters that the solution of Australia's problem of disposing of her zinc concentrates lay in the creation of a big local smelting industry, it being pointed out that already the Broken Hill Proprietary Company operates a small plant there. Those who look in this direction, however, are searching for an exit in a blind alley, for the Australian concentrates are merely derived from tailings, the supply of which is very limited. The origin of the supplies is mainly the Broken Hill silver lead mines. In the early days of mining there the crude ore ran about 25 per cent. lead, 25 per cent. zinc, and 25 oz. per ton silver, but a decade or so ago the average content was lowered to about 16 per cent. lead, 16 per cent. zinc, and 11 oz. of silver, and the average to-day is below these figures. Enormous piles of zinc tailings and slimes from the concentrating plants were accumulated, various processes being tried for recovering the zinc, and all being eventually discarded for the flotation process. In 1903 official New South Wales estimates gave the tonnage of zincy tailings and residues at Broken Hill at 5,687,400 tons, averaging 18.6 per cent. zinc, while five years later (in 1908) various authorities estimated the zinc tailings at 7 million tons, containing 1,200,000 tons of zinc, 350,000 tons of lead, and 40 million oz. of silver. It was then estimated that there was sufficient untreated material to keep the plants going till 1919, when the accumulated tailings should be exhausted. This explains much of the reluctance on the part of capitalists to embark upon big schemes for putting up plants to treat Broken Hill concentrates, and is a very effective reply to much of the ill-formed criticism of the spelter position and the alleged apathy of the British manufacturer, with which the daily Press has been flooded. If the British capitalist and the British manufacturer are reluctant to branch out in a certain direction which apparently promises wealth and fortune, there is usually a sound reason for it.

COAL AND STEEL.

AFTER ten days' experience it is possible to indicate roughly the effect of the recent licensing order on the export of coal. As expected, the necessity of procuring licences has imposed a handicap on business which, if not very serious, is at least irritating. The name and description of the vessel, the quality of the coal, the port and date of departure must all be specified before a certificate is granted. Sometimes it is difficult in normal cases to supply these particulars without the necessity arising of changing one or other of them after they have been supplied. Under present conditions no variation is allowed. If any change is made a new licence must be secured. This regulation imposes a certain restraint on trade in the majority of cases; but it operates much more harshly in the case of spot tonnage.

Say a suitable boat arrives from the Mediterranean or comes light from France, the owners cannot afford to await the convenience of a particular exporter, but they desire to charter the vessel to carry the freight of the first exporter that has a cargo. It is scarcely necessary to enumerate the possibilities of confusion, disappointment, and trouble which confront the

exporters, under the licensing order in such cases. And the confusion and disappointment are not lessened by the avoidable delays which have been experienced in the issuing of the licences. The Committee have not shown the hoped-for disposition to realise the necessity for immediate attention being paid to requests for certificates, particularly in respect of near trades carried on by boats not chartered ahead.

In addition to the restriction or total prohibition of exports to certain other countries, licences are being refused for cargoes from the West of Scotland for France. This is entirely in accordance with the view already expressed that the purpose of the certificates is to regulate trade in favour of the home market. That view is further justified by an indication given by the Committee that licences will be freely granted in districts where there is not such a great home demand as in the West of Scotland. On the whole the market in Scotland is easier, while tonnage is scarce and freights have advanced considerably. The scarcity of tonnage and the increase of freights are not confined to Scotland, but are being felt all over Great Britain.

The home trade has been passing through a fairly active period as a result of private and public concerns laying in big stocks of coal for the winter. At the same time coal-owners have still great quantities above ground awaiting disposal. It was pointed out a fortnight ago that the increased output of the miners might slacken off if the coal were not freely distributed. What appears to be a confirmation of that fear is contained in the withdrawal by the Miners' Union of a request that all its members should work twelve days a fortnight instead of the customary eleven. The request was inspired by a desire to assist the country; but the Union officials came to the conclusion that their object was not being achieved in the manner they desired. It is further suggested that the operation of the Minimum Wage Act may have something to do with the attitude of the miners.

It appears very probable that as soon as the local demands are satisfied licences for export will be granted more readily, and that tonnage will be more freely available at Scottish ports about the same time. That will mean greater activity in the export trade. Owing to the pre-occupation of home concerns in building up winter stocks early, it is not expected that prices will ascend to the heights touched last winter.

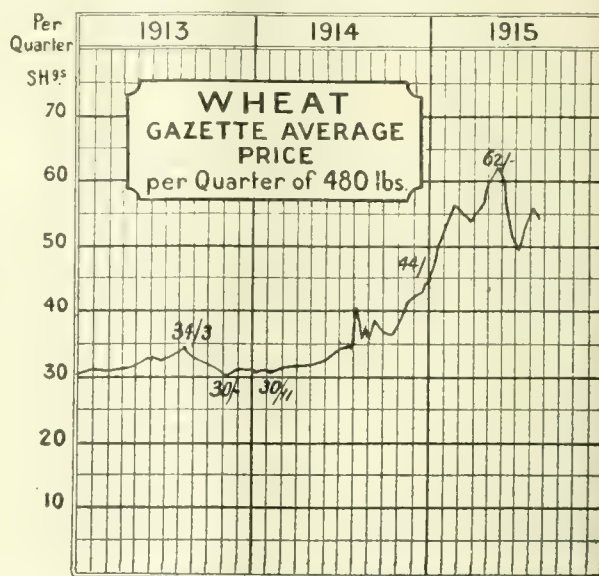
The only change of note in the steel trade is the assumption of the control of works by the Government. The change was expected some time ago, the only surprise being that it did not take place much earlier. Of course, except for the mere name of the thing, the mills and works have been in the hands of the Government for the past year, and no considerable volume of business other than for War purposes has been done. At the same time it is recognised that official control will probably put an end to the furtive methods of recruiting for the Army men who are presently required to turn out steel, and that makers will not be forced to temporise with people who have been very valuable customers in days of peace, but whose orders they could not handle nowadays. It is unfortunate that the War has introduced many good customers of Scottish mills to American firms, and that civilian contracts for export cannot be entertained; but that state of affairs cannot be helped in present circumstances, particularly in view of the serious shortage of skilled labour.

### THE COURSE OF WHEAT PRICES.

The suggestion made to us that it would be of interest to have in diagram form the average annual price of wheat over an extended period, also, on a larger scale, the approximate course of prices immediately before and subsequent to the declarations of war by the great European Powers, points to the fact that our correspondent has not noticed that we gave in THE STATIST of September 5, 1914, a comprehensive history of wheat price movements, crops, and other detail over

the period from 1841 to 1913 inclusive. To comply with the desire of our correspondent, however, we bring up to date movements in detail from January 1, 1913, to the present time, and at the same time, as other persons may not have noticed the diagram we gave September last year, we reproduce the diagram that then appeared, with information to latest date.

We do not here attempt to deal with reasons for the vicissitudes of price movements during the War

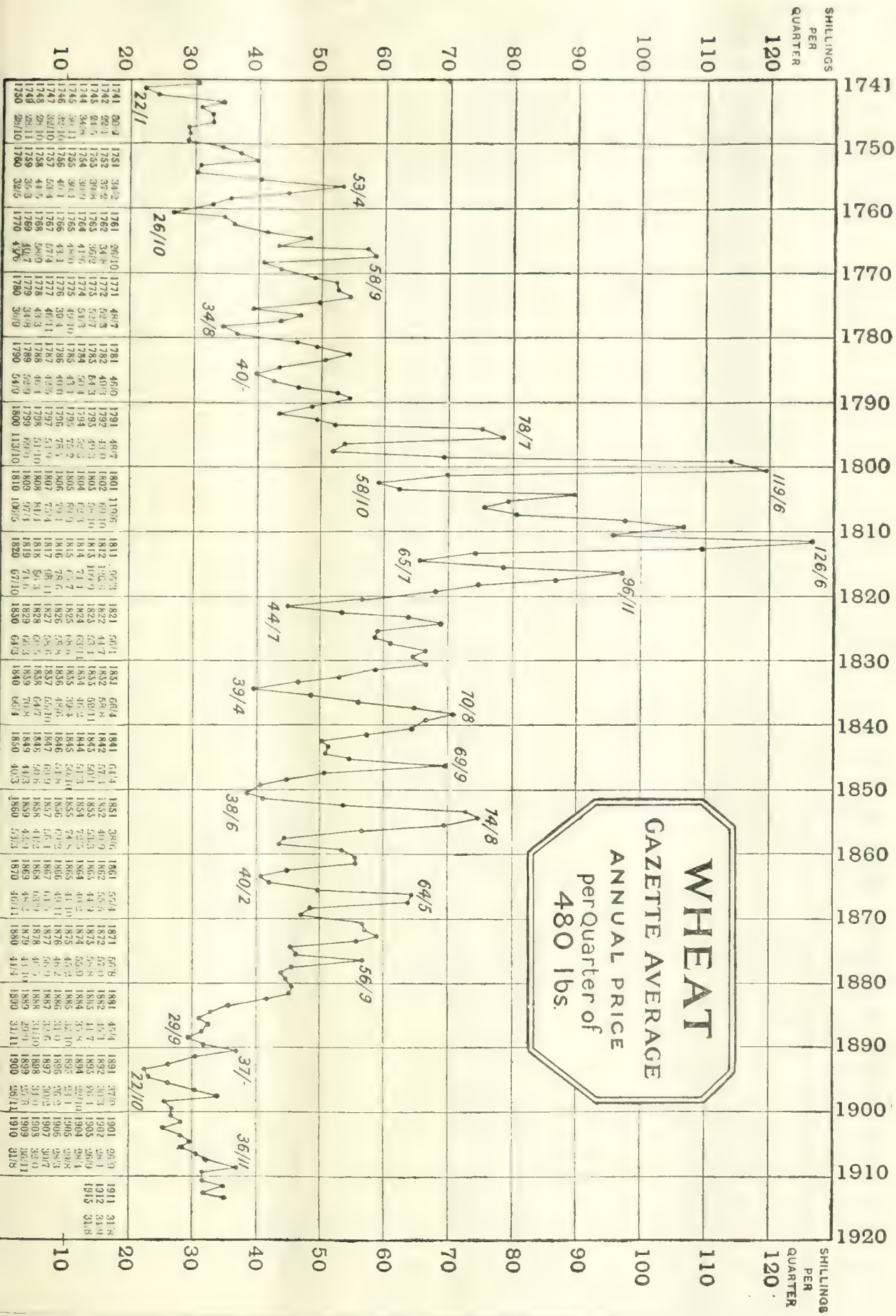


period, for these have been referred to in detail intermittently in our columns during the period in question, but we would take occasion to call attention to the great cause we have for thankfulness that the present price of a quarter of wheat being only about 54s. is an outcome of our ability to keep command of the seas and secure supplies from abroad. We have so far suffered very little in the way of high wheat prices in contrast with bygone days when events, especially war convulsions, affected prices so greatly.

### LANCASHIRE COTTON INDUSTRY.

THE slackness of demand in both yarn and cloth is unabated, and producers rather tend to lose ground. In spite of various matters arising which might be expected to cause fluctuations in raw cotton rates, prices keep steady, and during the past fortnight no important change has transpired in values. The Government has at last declared raw cotton contraband, but a decision of this character was expected, and the effect was discounted in the raw material markets previous to the proclamation. It is understood guarantees have been given to the United States Government that, if necessary, action will be taken which will support the market. There is no appearance at the moment of a slump in prices, and in the opinion of many people the mere fact of the article being on the contraband list will not make much difference in view of the blockade of German ports which has been in force for many months. The application of the operative weavers for a War bonus on wages has been strongly refused by the masters, but the trade union officials are not allowing the matter to rest and are appealing to the Government Committee on Production for their case to be heard. A deputation of workpeople has had an interview with Sir George Askwith this week.

The turnover in piece goods for some time now has been disappointing, and most of our leading outlets have given very little support in the way of fresh business. The paucity of practicable demand for India has been very marked, but it is of interest to note that rather more inquiry has been reported this week, although the bids mentioned have been altogether too low; but there are expectations of more



buying before very long. A few days ago some special sales were put through for China in a particular make of shirtings. Although stocks in Shanghai are comparatively low, there is very little disposition to purchase freely. Egypt continues disappointing, and merchants abroad are experiencing difficulty in obtaining dyes. Rather better reports are being

received from some of the South American markets, notably the River Plate and Chile. No relief is in sight for producers of light fabrics, and thousands of looms are stopped in Blackburn for want of orders. Some improvement has recently occurred in the position of Burnley manufacturers. The home trade is doing fairly well in the way of clearances, but not

many orders have recently been placed with manufacturers.

The annual holidays are being held in Oldham next week, and the stoppage of spindles means a big reduction in the output of American yarns. Spinners, therefore, during the last few days have presented a rather stiffer front to buyers. A fair business continues to be done, and it may be said that the coarser the counts the stronger the position of sellers. The requirements of the Government with regard to export licences for the Continent are now better known and things are working more smoothly. Rather more buying is taking place, especially in cops for Holland. Bundles for India are also attracting increased attention, but certain twofold yarns are well sold and there are delivery difficulties in arranging fresh contracts. The depression in the Egyptian yarn section is very acute, and the holidays in Bolton at the beginning of September are being extended.

### LANADRON RUBBER.

THE total area of the Lanadron Rubber Estates, which are situated in the State of Johore, is 11,528 acres. The total acreage under rubber is now 5,200 acres. For 1914 the crop was 1,241,508 lb., and the gross average price received 2s. 2.37d. per lb., as compared with 2s. 5.63d. for 1913. But as this was accompanied by a reduction of nearly 7½d. per lb. in costs, and the net price per lb. realised worked out at 1s. 1.85d., as against 9.8d., and as there was an increase of nearly 50 per cent. in the crop, it is not surprising to find that the profit rose from £36,403 to £66,318. The dividend was increased from 10 per cent. to 15 per cent., and after making an allocation to reserve the carry-forward was increased to £6,623. Particulars of the profits for the past five years are appended:—

	Year ended Dec. 31—1914	1913	1912	1911	1910
Cultivated area (acres) ...	5,200	5,283	5,209	4,887	4,522
Crop (lb.) ...	1,241,508	888,490	565,335	380,735	371,816
Gross price (per lb.) ...	2 2.37	2 5.63	1 10.25	1 11.11	—
Costs ...	1 0.52	1 7.88	1 10.25	1 11.11	—
Net ...	1 1.85	0 9.8	2 7.75	3 2.5	6 8.14
Profit ...	131,129	109,784	129,409	97,588	125,673
Expenses, &c. ...	64,811	73,381	56,154	40,359	29,572
Ordinary dividends ...	66,318	36,103	73,255	57,229	96,101
Reserve, &c. ...	44,250	29,500	59,000	61,859	76,565
Brought forward ...	2,218	403	2,755	—	6,556
Carried forward ...	4,465	4,002	1,247	7,877	1,341

Naturally the chief feature in the accounts for the past year is the very substantial reduction that has taken place in costs, and we set out herewith the details showing how the "all-in" costs are arrived at:—

	Lanadron		Jementah		Combined Estates	
	1914	1913	1914	1913	1914	1913
Total crop (sale weight) (lb.) ...	721,812	553,418	519,696	335,041	1,241,508	888,490
Gross price (new terms) (per lb.) ...	2 2.58	2 5.12	2 2.06	2 6	2 2.37	2 5.63
Cost f.o.b. (per lb.) ...	8.09	1 1.42	1 0.85	1 11.02	10.07	1 5.04
Depreciation ...	—	—	—	—	—	—
Selling exps. (including freight and insurance) ...	—	—	—	—	—	—
War risk insurance ...	—	—	—	—	—	—
Home expenses ...	—	—	—	—	—	—
Int. and Deb. expenses ...	—	—	—	—	—	—
	10.36	1 3.82	1 3.54	2 2.36	1 0.52	1 7.83

For the current year the Managers estimate to produce 1,400,000 lb. of rubber. The actual production for the first seven months amounts to 722,562 lb., so that it is likely the estimate will be reached. It is also hoped to show a further reduction in the cost of production. "There is not room for much further reduction in Lanadron's cost of 8d. per lb. f.o.b. except such as will be caused by increased production, but we hope to see Jementah costs down to about the same level as Lanadron." It may be added that up to the end of May the Company had sold 126,780 lb. at an average price of 2s. 4.15d. per lb. On the assumption that an average of 2s. 4d. per lb. is received for the whole of the year, and that the "all-in" costs are brought down to 10d. per lb., this would give on the estimated output a net profit of £105,000, which on the paid-up capital of £295,000 would permit of a dividend of 30 per cent. being paid and of a substantial sum being carried to reserve. Should the profit per lb. be only 1s. 3d. it would be possible to pay 25 per cent. and carry about £15,000 to reserve. The outlook for an increased dividend is thus distinctly good. The present price of the £1 share is 1½, and on the basis of last year's dividend of 15 per cent. the yield afforded is about 9 per cent., while on a 20 per cent. distribution the yield would be a little over 12 per cent., and on a 25 per cent. dividend about 15½ per cent.

BRITISH AND BENINGTON'S.—Interim dividend of 3d. per share on Ordinary shares.

IONIAN BANK. Interim dividend at rate of 5 per cent. per annum, tax free.

NATIONAL BANK OF SOUTH AFRICA, LIMITED.—Cable advices have been received from the head office, Pretoria, intimating that branches of the Bank have been opened at Swakopmund, Windhuk, and at Luderitzbucht, all of which are in the territory hitherto known as German South-West Africa.

SIR J. L. HUIETT AND SONS.—Dividend of 8 per cent. on the accounts to June 30.

SOUTH AFRICAN BREWERIES.—Mr. A. R. Stephenson has been appointed a director to fill the vacancy caused by the death of the late Mr. Frederick Mead. Mr. John Stroyan, J.P., D.L., of Lanrick, has been elected Chairman of the Company.

TYNESIDE ELECTRICAL DEVELOPMENT CO.—Interim dividends for half-year ended July 31, 1915, at the rate of 6 per cent. per annum on Preferred Ordinary shares and 5 per cent. on Deferred Ordinary, less tax.

**The Gift of the East to the West**

**Snake Charmer Cigarettes**

for Connoisseurs

Per Packet of Ten

**BOUQUET**

SIZE 6<sup>D</sup>

**QUEEN**

SIZE 9<sup>D</sup>

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# CANADIAN PACIFIC RAILWAY COMPANY

THIRTY-FOURTH ANNUAL REPORT—FOR THE YEAR ENDED JUNE 30, 1915.

The results of the Company for the year ended June 30, 1915, show the following results:—

Gross earnings	\$88,800,078
Working expenses	6,000,000
Net earnings	\$82,800,078
Interest on bonds	10,446,500 83
Surplus	\$23,128,117 46
Contributed to Reserve Fund	125,000 00
	\$23,003,117 46
Interest on bonds and other securities, commercial Tobacco, and News Department, and Special Income Account	1,494,151 49
	\$21,508,965 97
From this there has been declared a first year dividend on Preference Stock of 1915, payable April 1, 1915, of	\$1,005,412 80
And a second year dividend on 1915 Stock of 1915, payable October 1, 1915, April 1, 1915, and June 30, 1915	13,650,000 00
	15,255,412 80
	\$6,253,553 17
From this there has been declared a second half-year dividend on Preference Stock, payable October 1, 1915, of	\$1,043,638 42
And a third year dividend on 1915 Stock of 1915, payable October 1, 1915	4,550,000 00
	6,163,638 42
Leaving a surplus for the year	\$8,314 15
In addition, for the above dividends on Ordinary Stock, 3%, was paid from Special Income.	

## SPECIAL INCOME FOR YEAR ENDED JUNE 30, 1915.

Balance at June 30, 1914	\$3,096,812 46
Less Dividend paid October 1, 1914	1,350,000 00
	\$3,096,812 46
Interest on Proceeds Land Sales	64,587 54
Interest on Deposits and Loans	1,466,096 67
Interest from Montreal & N. Ry. Bonds	159,720 00
Interest from Montreal & N. Ry. Bonds	50,160 00
Interest from Toronto, Hamilton & Buffalo Ry. Bonds	10,840 00
Interest from Montreal & Atlantic Ry. Bonds, and other Securities	107,902 09
Interest from Berlin, Waterloo, Wellesley & Lake Huron Ry. Bonds	17,040 00
Interest from St. John Bridge & Ry. Extension Co. Bonds	6,200 00
Interest from Esquimaux & N. Ry. Bonds	193,280 00
Interest from Dominion Atlantic Ry. Extension Debenture Stock	56,940 00
Interest from Dominion Atlantic Ry. 2nd Debenture Stock	50,000 00
Interest from Esquimaux & N. Ry. Bonds	75,000 00
Dividend on Esquimaux & N. Ry. Stock	125,000 00
Dividend on St. John Bridge & Ry. Extension Co. Stock	70,000 00
Dividends on Minneapolis, St. Paul & S.S.M. Ry. Common Stock	899,450 00
Dividends on Minneapolis, St. Paul & S.S.M. Ry. Preferred Stock	445,326 00
Dividends on West Kootenay Power & Light Co. Common Stock	3,850 00
Dividends on West Kootenay Power & Light Co. Preferred Stock	209,520 00
Dividend on Consolidated Mining & Smelting Co. Stock	12,500 00
Dividend on Berlin, Waterloo, Wellesley & Lake Huron Ry. Stock	4,370,280 41
Earnings from Ocean Steamships and Hotels	544,234 20
Revenue from Company's interest in Coal Mine Properties	364,733 61
Extraordinary Mail Earnings	
Net Earnings of Pacific Coast Steamships, Commercial Tele- graph and News Department	1,494,151 49
Received for space rented in Office Buildings	139,277 95
	\$14,066,144 15
Less Payments to Shareholders in dividends: Jan. 2, 1915, April 1, 1915, and June 30, 1915	5,850,000 00
	\$8,216,144 15
From this a dividend has been declared, payable Oct. 1, 1915	1,950,000 00

The working expenses for the year amounted to 66.04 per cent. of the gross earnings, and the net earnings to 33.96 per cent., as compared with 67.32 and 32.68 per cent., respectively, in 1914.

Four per cent. Consolidated Debenture Stock to the amount of £611,797 was created and sold, and the proceeds were applied to the acquisition of the securities of other railway companies whose lines constitute a portion of your system, the interest on which had, with your sanction been guaranteed by your Company.

Four per cent. Preference Stock to the amount of £524,914 was created and sold for the purpose of meeting capital expenditures that had previously been sanctioned by you.

During the year 231,297 acres of agricultural land were sold for \$3,742,115.00, being an average of \$16.17 per acre. Included in this area there were 6,550 acres of irrigated land which brought \$55.22 per acre, so that the average price of the balance was \$15.04 per acre.

All of the Company's outstanding First Mortgage 5% Bonds, amounting at the end of the last fiscal year to £2,638,900, were satisfied and retired at or before their maturity, July 1st, excepting a few that had not been presented for redemption. An amount sufficient to take up these Bonds, as they come in, has been deposited with your bankers, and the Trustees have been asked to certify the

same to the effect that the Bonds are to be retired and that they are formally cancelled. Outstanding Bonds, to the amount of £2,000,000, were also acquired during the year, and have been deposited with your Treasury securities.

As you were informed at a previous meeting, your Directors have had under consideration for some time the desirability of transferring to a Steamship Company your steamships, and the Allan Line Steamship Company, so as to more effectually separate your railway and steamship finances and operations. To that end, a Company has been organised under the laws of Great Britain, known as "The Canadian Pacific Ocean Services, Limited," with an authorised capital of £2,000,000 sterling, having for its purpose, amongst other things, the acquisition and operation of ocean steamships and the interchange of traffic with your railway lines and others. The requisite extension of your Company's charter powers has been secured to enable it to hold stock and securities of the Canadian Pacific Ocean Services, Limited, and to guarantee payment of the principal and interest of such securities as may be issued with your consent. It is proposed that the Canadian Pacific Ocean Services, Limited, shall purchase and take over your interest in all of the steamships and their appurtenances engaged in ocean traffic, as well as those of the Allan Line Steamship Company, which has been under your control for some time. A moderate estimate of the value of the steamship property involved in the transaction, after making due allowance for depreciation, is \$23,500,000. Your Directors recommend that as a consideration for the steamships and their appurtenances to be sold and delivered by your Company, and for the Capital Stock of the Allan Line Steamship Company, carrying with it all that Company's steamship and other properties, you accept as fully paid the Capital Stock of the Canadian Pacific Ocean Services, Limited, namely, £1,962,910, being all excepting the shares necessary to qualify the Directors of the Steamship Company, and, in addition, 5% First Debentures or Debenture Stock of the Canadian Pacific Ocean Services, Limited, to the amount of £2,855,860 sterling. The transaction has been completed on this basis, subject to your approval at this Meeting.

Six of the Company's older class steamships, namely, the "Montrose," "Mount Royal," "Montezuma," "Montcalm," "Tyrolia" and "Ruthenia," were taken by the Imperial Government in November last, at a price that has not yet been fixed by the Admiralty, and the steamship "Empress of India," after twenty-five years' service on the Pacific Ocean, was sold for £85,000 and converted into a hospital ship. Two large modern steamships that were under construction at Belfast were purchased by the Company at a cost of about £700,000, for delivery in July and October of this year. Pressure of other work, however, delayed their completion, and it will be probably some months before they are ready for service.

The appropriations made by your Directors for expenditures on capital account during the calendar year were comparatively small, aggregating only \$3,546,000. In this amount are included the estimated expenditure on Roger's Pass Tunnel in the Selkirk Mountains, \$1,350,000; Passenger and Freight Terminals at Quebec, \$500,000; and Passenger Station, with approaches, at North Toronto, \$400,000. The balance of the amount is made up of works of minor importance on all sections of the Railway.

The Victoria Rolling Stock and Realty Company's equipment securities, to which reference was made in the last Annual Report, were disposed of during the year at a price sufficient to repay the amount advanced by the Company.

Uncontrollable conditions caused an abnormal decline in the gross revenue of your railway lines for the year, and, although the working expenses were very substantially reduced, the net earnings were \$8,851,300 less than in the previous year, leaving a margin barely sufficient to meet the customary distribution to shareholders. Against this your Special Income, from which a portion of the dividend is paid, was \$2,381,461 greater this year than last.

Your Directors were of opinion that in the circumstances there was no good reason for making any change in the rate of dividend, and acted accordingly.

Vice-President McNicoll, after more than forty years' continuous connection with the Company and one of its acquired lines, was compelled by failing health to relinquish the arduous duties of his office, and he therefore resigned in December last. The resignation was accepted after the Directors had expressed in a most pronounced way their high appreciation of Mr. McNicoll's services to the Company, and their personal esteem and regard for him. Mr. George Bury, Vice-President in charge of the Company's Western Lines, was promoted to fill the vacancy caused by Mr.

McNicol's retirement, and he was also elected a member of the Board of Directors.

The under-mentioned Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election: Sir William C. Van Horne, K.C.M.G., Mr. Richard B. Angus, Sir Edmund B. Osler, M.P., Sir Herbert S. Holt.

For the Directors,  
T. G. SHAUGHNESSY,  
President.

Montreal, August 9, 1915.

### GENERAL BALANCE SHEET, JUNE 30, 1915.

ASSETS.	
Property Investment:	
Railway .....	\$349,989,662 34
Rolling Stock Equipment .....	153,595,062 73
Ocean, Lake and River Steamers .....	24,208,595 28
	\$527,793,320 35
Acquired Securities (Cost):	
Schedule "A" .....	111,652,627 03
Advances to Lines and Steamships under Construction .....	42,472,395 22
Advances and Investments .....	10,457,984 79
Deferred Payments on Lands and Townsite Sales, No. 2 .....	7,431,543 04
*Special Investment Fund:	
Deferred Payments on Lands and Townsites .....	\$41,328,916 47
Government Securities .....	10,088,734 86
Deposited with Trustee .....	4,452,417 41
	55,870,068 74
Working Assets:	
Material and Supplies on Hand .....	\$15,729,605 49
Agents and Conductors' Balances .....	2,775,683 51
Net Traffic Balances .....	502,500 43
Miscellaneous Accounts Receivable .....	8,870,601 74
Cash in hand .....	17,055,269 63
	44,933,660 80
Other Assets:	
Schedule "B" .....	131,241,869 49
	\$931,853,369 46
* Security for issue of Note Certificates, \$52,000,000.	
LIABILITIES.	
Capital Stock:	
Ordinary Stock .....	\$260,000,000 00
Four Per Cent. Preference Stock .....	80,681,921 12
	\$340,681,921 12
Four Per Cent. Consolidated Deb. Stock .....	176,284,882 10
Mortgage Bonds:	
Canadian Pacific Ry. 1st Mort. 5 per cent. .....	\$2,749,180 00
Algoma Branch 1st Mortgage 5 per cent. .....	3,650,000 00
	6,399,180 00
Note Certificates 6 Per Cent. .....	52,000,000 00
Premium on Ordinary Capital Stock Sold Current:	45,000,000 00
Audited Vouchers .....	\$4,054,309 08
Pay Rolls .....	3,647,354 54
Miscellaneous Accounts Payable .....	4,850,646 07
	12,552,309 69
Accrued:	
Coupons due July 1, 1915, and including Coupons overdue not presented .....	\$648,094 03
Rentals of Leased Lines .....	182,520 08
	\$30,614 11
Equipment Obligations .....	12,780,000 00
Reserves and Appropriations:	
Equipment Replacement .....	\$1,200,082 16
Steamship Replacement .....	7,492,891 98
Reserve Fund for Contingencies .....	2,159,491 38
	10,852,465 52
Net Proceeds Lands and Townsites .....	65,979,356 16
Surplus Revenue from Operation .....	83,019,483 06
Surplus in other Assets .....	125,473,157 70
	\$931,853,369 46

I. G. OGDEN, Vice-President.

#### AUDITORS' CERTIFICATE.

We have examined the Books and Records of the Canadian Pacific Railway Co. for the fiscal year ending June 30, 1915, and having compared the annexed Balance Sheet and Income Account therewith, we certify that, in our opinion, the Balance Sheet is properly drawn up so as to show the true financial position of the Company at that date, and that the relative Income Account for the year is correct.

PRICE, WATERHOUSE & CO., Chartered Accountants (England).  
Montreal, August 6, 1915.

### FIXED CHARGES FOR YEAR ENDED JUNE 30, 1915.

\$2,638,300	1st Mortgage Bonds 4%, part of year .....	\$389,795 65
\$200,000	St. Law. & Ottawa Ry. 4% 1st Mt. Bonds .....	38,933 34
\$2,544,000	Man. S.W. Col. Ry. 1st Mt. 5% Bonds, due June 1, 1934 .....	127,200 00
\$4,007,381 15/5	Ontario & Quebec Ry. Debenture Stock 5% .....	975,129 56
\$2,000,000	Ontario & Quebec Ry. Ordinary Stock 6% .....	120,000 00
\$1,330,000	Atl. & Nor. West. Ry. 1st Mt. Bds., due Jan. 1, 1937 .....	323,633 34
\$750,000	Algoma Branch 5% 1st Mt. Bds., due July 1, 1937 .....	182,500 00
\$500,000	New Brunswick South. Ry. 1st Mt. Bds., 3% .....	15,000 00
\$500,000	Lindsay, Bobcaygeon & Pontypool Ry. 1st Mort. Bonds, 4% .....	20,000 00
\$256,800	Shuswap & Okanagan Ry. 1st Mt. Bds., 4%, part of year .....	38,981 79
	Rental, Toronto, Grey & Bruce Ry. ....	140,000 00
	Rental, Calgary & Edmonton Ry. ....	218,357 60
	Rental, Farnham to Brigham Junction .....	1,400 00
	Rent d. Mattawink to Vinceboro .....	23,800 00
	Rental, New Brunswick Ry. System .....	372,829 74
	Rental, Terminals at Toronto .....	25,773 91
	Rental, Terminals at Hamilton .....	38,575 73
	Rental, Hamilton Junction to Toronto .....	42,191 12
	Rental, St. Stephen & Milltown Ry. ....	2,050 00
	Rental, Joliette & Brandon Ry. ....	5,000 00
	Rental, Lachine Canal Branch .....	339 96
	Interest on Montreal & Western Ry. ....	13,284 62
	Interest on Equipment Obligations .....	322,191 66
4% Consolidated Debenture Stock:		
\$5,868,947	Interest from July 1, 1914 .....	\$6,982,488 34
\$353,974	Interest from Jan. 1, 1915 .....	34,453 47
		\$7,016,941 81
Less received from subsidy N. Colonization Ry. ....	8,000 00	
		7,008,941 81
		\$10,446,509 83

### INVENTORY JUNE 30, 1915, OF ACTIVE AND INACTIVE ASSETS AS SHOWN IN THE GENERAL BALANCE SHEET.

ACTIVE ASSETS.		\$
26,190 Shares Can. Mining & Smelting Co. Stock, cost ...	712,273 32	
11,000 Shares West Kootenay Power & Light Co., Com. Stock } cost 517,493 25		
550 Shares West Kootenay Power & Light Co., Prefd. Stock ...	1,067,602 17	
Hull Electric Railway Company, cost to date .....	2,500,000 00	
Company's Collieries in Alberta and British Columbia, and Company's interest in other producing coal mines ...		
INACTIVE ASSETS CONSISTING OF UNSOLD LANDS AND OTHER PROPERTIES.		
Surplus lands and buildings available for sale in the Provinces of New Brunswick, Quebec, Ontario, Manitoba and British Columbia, representing mainly those purchased in excess of the requirements when securing right of way, station grounds and shop sites, as being more economical than a resort to condemnation proceedings ...	2,390,360 00	
Acres.		
Manitoba: Agricultural lands ...	214,339 at \$10 00	2,143,390 00
Saskatchewan: Agricultural lands ...	2,122,131 at \$13 00	27,587,703 00
Alberta: Agricultural lands ...	3,326,358 at \$13 00	43,242,654 00
A. R. & I. (500,000 acre tract, under agreement with Government) ...	49,421 at \$5 00	247,105 00
Alberta: Irrigated lands:		
Western section ...	43,399 at \$25 00	1,084,975 00
Eastern section ...	419,159 at \$40 00	16,766,360 00
A. R. & I. section ...	31,902 at \$40 00	1,276,080 00
Land reserved in irrigation blocks for right of way & operating purposes	57,357 at \$13 00	745,641 00
Demonstration Farms: Strathmore ...		75,000 00
Tilley ...		15,000 00
Brooks ...		10,000 00
Cassils ...		5,000 00
Lathom ...		5,000 00
Mixed farms (12) ...		108,000 00
Timber Lands and Mills: Timber and Tie reserve in British Columbia ...	552,360 at \$4 00	2,209,440 00
A. R. & I. Timber limit in Alberta	45,000 at \$1 50	67,500 00
Bull River Mill and improvements ...		100,000 00
British Columbia: Columbia & Kootenay Lands ...	21,412 at \$2 00	42,824 00
Unsold portion of Esquimalt & Nanaimo Land Grant ...	1,097,480	5,000,000 00
Unsold Lands in Townsites:		
Subdivided sites in Manitoba, Saskatchewan and Alberta ...		7,500,000 00
Unsubdivided land adjoining Town Plots in Manitoba, Saskatchewan and Alberta ...	137,868	5,000,000 00
Unsold lots in British Columbia, including Vancouver ...		4,500,000 00
Unsubdivided land adjoining Townsites in British Columbia, including Vancouver ...		5,000,000 00
Northern Colonization Railway Land Grant in Quebec ...	96,000	96,000 00
Coal Lands:		
3,000,000 acres of coalright reserved under land sold and unsold in Alberta, to be developed on a royalty basis ...		1 00
46,933 acres of coal land in British Columbia ...	at \$10 00	469,330 00
Iron property in British Columbia ...		25,000 00
Natural Gas: Rights reserved in 100,000 acres of land sold and unsold in Alberta. (Revenue from area under lease to June 30, \$46,002.84) ...		1 00
Petroleum Rights: Rights reserved in 50,000 acres of land sold and unsold in Alberta, to be developed on a royalty basis ...		1 00
Improved Farms: Buildings and improvements on improved (ready-made) farms Saskatchewan, Alberta and British Columbia; investment being repaid with land instalments with interest at 6% ...		551,108 54
Live Stock: Live Stock (horses, cattle, sheep and swine) advanced to farmers having land contracts with Company, on security lien notes ...		181,027 21
Total ...	8,214,186	\$131,241,869 49

### EXPENDITURE ON ADDITIONS AND IMPROVEMENTS FROM JULY 1, 1914, TO JUNE 30, 1915.

Eastern Lines:		
Additional Sidings, Buildings, Stations and Yards .....	\$97,928 65	
Permanent Bridges and Improvements of Line .....	431,088 27	
Double Tracking .....	584,983 84	
Right of Way .....	5,432 67	\$1,119,433 53
Montreal Terminals .....		220,360 27
Windsor St. Station Extension .....		51,939 90
Double Track Bridge over St. Lawrence River Drawbridge over Lachine Canal .....		5,168 44
Western Lines:		
Additional Sidings, Buildings, Stations and Yards .....	\$231,950 67	
Permanent Bridges and Improvements of Line .....	397,016 62	
Fort William Terminals, including Coaling Plant .....	45,506 68	
East Winnipeg Yard .....	124,868 37	
Winnipeg New Elevator .....	209,764 00	
Winnipeg Station and Hotel .....	1,047,453 35	
Winnipeg Terminals .....	6,304 93	
Calgary Hotel .....	157,849 09	
Vancouver Terminals .....	431,169 96	
Double Tracking .....	2,720,206 71	
Right of Way .....	5,032 02	5,397,012 40
Additions to Office Buildings and Hotels .....		2,091,960 49
Rented and Temporary Sidings .....		39,871 19
Telegraph Extensions and Additions .....		47,682 02
		\$9,090,346 87

# DETAILS OF EXPENDITURE ON LEASED AND ACQUIRED LINES FROM JULY 1, 1914, TO JUNE 30, 1915.

New England Ry.	\$18,000.00
Atlantic & North Western Ry.	10,000.00
Montreal & Ottawa Ry.	1,000.00
Montreal & Western Ry.	1,000.00
Ottawa & St. Lawrence Ry.	1,000.00
Montreal & North Western Ry.	24,355.04
Montreal & St. Lawrence Ry.	1,000.00
Colborne & Western Ry.	1,000.00
New England & Southern Ry.	1,000.00
Cap. Stock & Mortgage	2,443.87
St. Lawrence Valley Ry.	1,000.00
Ottawa & St. Lawrence Ry.	1,000.00
Ottawa, North & Western Ry.	1,000.00
Lindsay, Robey & Pontypool Ry.	1,000.00
London & St. Lawrence Ry.	24,462.16
Guelph & Cambridge Ry.	1,811.33
Tillsonburg, Lake Erie & Pacific Ry.	22,423.20
Windsor & Erie Ry.	175.50
Great Northern Central Ry.	1,197.66
Colborne & Western Ry.	616.14
Niagara, Keweenaw & Smiths Bay Ry.	Cr. 30,569.74
Kaslo & Southern Ry.	\$1,000.00

## RECEIPTS AND EXPENDITURES, Year ended June 30, 1915.

Cash in hand, June 30, 1914	\$86,777,725.02
Receipts:	
Surplus Revenue as per statement	\$21,088,065.97
Special Income as per statement	1,000,000.00
	32,478,297.66
Land Improvements:	
Lands and Townsites:	
Not purchased at auction	3,310,535.69
Less interest on expenditures	982,160.72
	2,328,374.97
Deferred payments on previous land sales	2,726,890.21
	5,054,975.18
Loss amount returned in deferred payments on land sales	1,880,125.02
	374,550.16
Four Per Cent. Preference Stock:	
Amount received from sale of 1914	2,182,763.46
Consolidated Preference Stock:	
Amount realised from sale of 1914	2,781,731.36
Victoria Rolling Stock & Realty Company, Limited, Bonds	13,630,000.00
	\$88,275,067.66

Deduct:	
Agents and Conductors' Balances	\$2,775,683.51
Net Traffic Balances	502,500.43
Miscellaneous Accounts Receivable	8,870,501.74
	\$12,148,785.68
Advances to Lines and Steamship under Construction	42,171,295.22
Advances and Investments	10,457,984.79
	65,079,065.69
Amount at June 30, 1914	62,169,167.78
	2,909,897.91
	\$85,15,169.75

Expenditures:	
Dividends on Preference Stock:	
2 per cent. paid October 1, 1914	\$1,564,493.46
2 per cent. paid April 1, 1915	1,605,412.80
	\$3,169,906.26
Dividends on Ordinary Stock:	
2 1/2 per cent. paid October 1, 1914	6,500,000.00
2 1/2 per cent. paid January 2, 1915	6,500,000.00
2 1/2 per cent. paid April 1, 1915	6,500,000.00
2 1/2 per cent. paid June 30, 1915	6,500,000.00
	26,000,000.00
	695,359.07

Construction of branch lines	
Additions and Improvements, main line and branches, Schedule "C"	9,090,346.87
Additions and Improvements, leased and acquired lines, Schedule "D"	1,595,543.35
Rolling Stock Equipment	338,667.94
Shops and Machinery	31,182.88
Ocean, Lake, and River Steamers:	
Completion of River Steamers and Barges	37,432.98
Purchase of Steamship "Medora"	435,566.91
	472,999.89
Less amount paid from Steamship Replacement	435,566.91
	37,432.98

1st Mortgage 5% Bonds redeemed £2,074,000	10,093,466.67
Deposited with Trustee of Special Investment Fund	3,782,191.88
Securities Acquired:	
Campbellford, Lake Ontario & Western Ry 1st Mortgage Bonds	2,630,000.00
Shuswap & Okanagan Ry. 1st Mortgage Bonds	1,138,699.00
Alberta Ry. & Irrigation Co. Stock	7,300.73
Public Market Limited Stock	5,000.00
Shuswap & Okanagan Ry. Stock	486.67
Toronto, Hamilton & Buffalo Ry. Stock	3,400.00
	3,781,886.40
Payment of Equipment Obligations	1,570,000.00
	60,211,984.30
Deficit decrease in Material and Supplies on hand	1,956,630.04
	58,255,354.26

Add Increase in Liabilities:	
Current Liabilities	12,552,309.69
Interest on Funded Debt	830,614.11
Reserves and Appropriations	10,852,465.52
	24,235,389.32
Amount at June 30, 1914	31,239,935.18
	10,004,545.86
	68,259,900.12
Cash on hand	17,055,269.63
	\$85,315,169.75

## EARNINGS FOR YEAR ENDED JUNE 30, 1915.

From Preference Stock	\$4,441,882.83
From Ordinary Stock	60,731,717.25
From Miscellaneous	1,880,236.56
From Special Dividend, 1914, and Miscellaneous	12,000,000.00
Total	\$88,053,836.64

## WORKING EXPENSES FOR YEAR ENDED JUNE 30, 1915.

For operation, maintenance	\$82,087,100.65
For operation of Waterworks	11,400,000.89
For operation of Electric Light & Power	11,400,000.89
For operation of Telephone	2,000,000.00
For operation of Post Office	1,111,234.29
For operation of Railway	1,000,000.00
For operation of Steamship	3,000,000.00
For operation of Ferry	1,000,000.00
For operation of Boat	1,000,000.00
Total	\$99,200,382.49

## SURPLUS INCOME ACCOUNT, June 30, 1915.

Balance at June 30, 1914	\$70,711,091.66
Net earnings of Railway	\$21,088,065.97
Special Income	10,000,000.00
	112,189,389.33
Less: Dividend on Preference Stock paid October 1, 1914, and April 1, 1915	3,169,906.26
Dividend on Ordinary Stock paid October 1, 1914, Jan. 2, 1915, April 1, 1915, and June 30, 1915	26,000,000.00
	29,169,906.26
	\$83,019,483.06

From this there have been paid for the year ended June 30, 1915, amounts to \$4,113,658.42

## DESCRIPTION OF FREIGHT FORWARDED.

	1913	1914	1915
Wheat (bushels)	8,000,000	8,800,000	9,500,000
Grain (bushels)	171,952,738	181,954,241	126,909,828
Lumber (cords)	1,782,986	2,481,360	2,833,726
Timber (cords)	3,210,306,090	2,953,125,699	2,180,735,600
Manufactured articles (tons)	293,536	287,010	254,428
All other articles (tons)	9,519,346	8,148,012	6,024,590
	9,623,605	9,159,112	7,423,163

## FREIGHT TRAFFIC.

Number of tons carried	2,411,814	27,801,217	21,490,596
Number of tons carried one mile	11,000,871	10,821,748,589	7,940,151,342
Earnings per ton per mile	0.77 cent	0.75 cent	0.75 cent

## PASSENGER TRAFFIC.

Number of passengers carried	15,480,934	15,638,312	13,202,603
Number of passengers carried one mile	1,784,688,570	1,587,368,110	1,161,488,630
Earnings per passenger per mile	1.00 cent	2.05 cent	2.06 cent

## TRAIN TRAFFIC STATISTICS.

(EARNINGS OF LAKE AND RIVER STEAMERS NOT INCLUDED)

	Year ended June 30, 1915	Year ended June 30, 1914	Inc. or Dec. %
Train Miles—Pass. trains	17,977,033	21,523,630	17,667,797 16.48
Freight trains	16,896,368	24,164,242	7,267,874 30.08
Mixed trains	1,939,478	1,890,364	49,114 2.60
Total trains	36,812,879	47,578,236	10,765,357 22.63
Car Mileage—Passenger	130,804,512	157,112,304	26,307,792 16.74
Coaches & P.D.&S. cars	2,829,455	2,904,782	75,327 2.59
Combination cars	40,691,990	47,355,009	6,663,019 14.07
Baggage, mail & express cars	130,804,512	157,112,304	26,307,792 16.74
Freight: Loaded	404,249,594	526,194,125	121,944,531 23.17
Empty	144,408,527	169,768,349	25,359,822 14.94
Carbide	18,476,337	26,196,664	7,720,327 29.47
Total freight cars	567,134,458	722,159,138	155,024,680 21.47
Pass. cars per traffic train mile	6.37	6.71	11 2.09
Freight cars per traffic train mile	30.11	27.72	2.39 8.62
Passenger Traffic:			
Pass. carried (earning rev.)	13,086,064	15,449,849	2,363,785 15.30
Do. do. 1 mile	1,155,361,348	1,570,786,210	415,424,862 26.44
Do. do. 1 mile per mile of road	93,413	132,825	39,412 29.67
Av. journey per pass. (miles)	88.39	101.67	13.28 13.16
Av. amt. received per pass.	\$1.81	2.06	.25 12.14
Av. amount received per pass. mile	Cts. 2.05	2.03	.02 .99
Av. No. of pass. per train mile	58.01	67.09	9.08 13.53
Do. do. per car mile	12.82	14.31	1.49 10.41
Rev. from pass. per pass. car mile	Cts. 26.32	29.05	2.73 9.40
Total passenger train earnings per train mile	\$1.53	1.69	.16 9.47
Total pass. train earnings per mile of road	\$2,468.87	3,345.11	876.24 26.19
Freight Traffic:			
Tons of rev. freight carried one mile	7,734,433,065	10,601,426,321	2,866,993,256 27.04
Tons non-rev. freight carried one mile	985,500,816	1,497,308,046	511,805,230 34.13
Total tons (all classes) fr't. carried one mile	8,719,933,881	12,098,732,367	3,378,798,486 27.93
Tons of rev. fr't. carried one mile per mile of road	625,338	896,470	271,132 20.24
Tons of non-rev. fr't. carried one mile per mile of road	79,679	126,614	46,935 37.07
Total tons (all classes) fr't. carried 1 mile per mile of road	705,017	1,023,084	318,067 31.09
Av. amt. received per ton per mile of rev. freight	Cts. 0.773	0.753	.020 2.66
Av. No. of tons of rev. fr't. per train mile	410.62	406.89	3.73 .92
Av. No. of tons of non-rev. fr't. per train mile	52.32	57.47	5.15 8.96
Av. No. of tons (all classes) fr't. per train mile	462.94	464.36	1.42 .31
Av. No. of tons of rev. fr't. per loaded car mile	19.13	20.15	1.02 5.06
Av. No. of tons of non-rev. fr't. per loaded car mile	2.44	2.84	.40 14.08
Av. No. of tons (all classes) fr't. per loaded car mile	21.57	22.99	1.42 6.18
Fr't. train earnings per loaded car mile	Cts. 14.79	15.17	.38 2.50
Fr't. train earnings per train mile	\$3.17	3.09	.08 2.59
Fr't. train earnings per mile of road	\$4,832.33	6,749.41	1,916.88 28.10

\* Decreases are shown by italic figures.

# MEETINGS OF PUBLIC COMPANIES.

## THE NOBEL-DYNAMITE TRUST.

AN extraordinary general meeting of this Company was held at Winchester House, Old Broad Street, E.C., on August 25, for the purpose of considering resolutions sanctioning an arrangement for the sale of the German interests of the undertaking, and providing for the voluntary liquidation of the Trust. Sir Ralph William Anstruther, Bart. (Chairman of the Company), presided.

The Chairman said, Gentlemen,—Before I submit the resolutions for the passing of which you have been called together, you will desire to hear a few words explanatory of the scheme contained in the circular forwarded to you with the notice convening this meeting. As I indicated to you at our last annual general meeting, we found ourselves on the outbreak of war in a very difficult position, seeing that we owned the shares of certain companies in Germany. Appreciating the need for your interests being conserved, we deemed it desirable to prepare a scheme for the separation of our German and British interests. With the consent of the Home Government, this scheme was submitted to Germany through a neutral channel. The negotiations which followed were necessarily very protracted, and were, of course, carried on with the full cognisance and approval of the Home Government. I am glad to think that they have resulted in our now being able to put before you what we consider a very satisfactory scheme. The Nobel-Dynamite Trust Company, Limited, was originally created by the amalgamation of a number of companies, the shareholders of which agreed to exchange their shares in these companies for shares in the Trust, an arrangement which, while ensuring a certain unity of policy, left each of these amalgamated companies their individual autonomy. Since it became necessary to sever our German connections, the simplest plan, in the opinion of the board, was an arrangement for the sale of the German assets, payment to be made by the surrender of the Trust shares held in Germany. This method of settlement has been adopted in our negotiations, and the minimum number of Trust shares to be handed over to us from Germany has been fixed at 150,000 Ordinary shares of £10 each. Our latest advices are that 153,245 shares are held for delivery pending your acceptance of the scheme. This sale of our German interests renders it unnecessary to continue the Trust Company. The British interests are largely represented by shares in Nobel's Explosives Company, Limited, Glasgow, the predominant partner in the Trust. We have been advised that the most expeditious means of securing the separation of interests would be voluntarily to wind up the Trust Company. We therefore propose to invite those shareholders whose shares have not been surrendered under the agreement with the German Bank to exchange their shares in the Trust Company for Preference and Ordinary shares in Nobel's Explosives Company, Limited, Glasgow. The Glasgow Company, as doubtless you have noticed, has recently taken the necessary steps to effect this exchange by increasing its capital. It is proposed that the Preference shareholders of the Trust Company should accept 5 per cent. Cumulative Preference shares of Nobel's Explosives Company, Limited, Glasgow, in exchange for those they now hold in the Trust Company. Apart from the extra four months' interest which the Preference shareholders will receive for the current year, I may here tell you that the security behind these shares in the Glasgow Company, after providing for the Debenture issue of £500,000, is ample, as will be made plain when I say that the earning power of Glasgow, taken on a thoroughly conservative basis over the past five years, has been more than sufficient to cover the Preference interest five times over. The Glasgow Company take over from the Trust Company all their remaining assets. These, as I stated to you at our last general meeting, are world-wide and profitable, so that the Preference shareholders will appreciate that by the conversion of their Trust shares into Glasgow shares their interests are in no wise prejudiced. With regard to the Ordinary shares of the Trust Company, the basis of exchange proposed is 12 £1 Ordinary shares of Nobel's Explosives Company, Glasgow, for each £10 Ordinary share of the Trust Company. Without allowing in any way for the additional revenue which will flow to Nobel's Explosives Company through the increase that will take place in their assets by the scheme of liquidation, you will see from the figures I have mentioned in connection with the interest of the Preferred shareholders, that for the future the Ordinary shareholders of the Glasgow Company should not be in any worse position from the point of view of annual dividend than they have been during the existence of the Trust Company. It is dangerous in these days, of course, to prophesy, but I think I may safely say that, when the necessary steps consequent on the liquidation of the Trust Company have been effected, the balance sheet of Nobel's Explosives Company, Glasgow, will show very

handsome reserves, very little below those previously accumulated and appearing in the Trust Company's balance sheets. Some of you may have doubts about the future from the point of view of competition, but it must take time for the German Companies to resume the Colonial trade which they possessed before the War; be this as it may, Nobel's Explosives Company, Limited, Glasgow, will undoubtedly have great opportunities of expansion of trade. New regions hitherto undeveloped and inaccessible owing to industrial circumstances will probably be thrown open to industrial enterprise, and in the development of these new regions I am not over-sanguine in saying Nobel's Explosives Company, Limited, Glasgow, will take a leading part. We feel great satisfaction at being able to place the present scheme before you. We have no losses to face, but every reason to expect that the changes proposed will bring profitable business results in the future. As you will have seen, a resolution will be submitted for your consideration providing for compensation to your directors for loss of office. The amount has been based on the average fees for the last five years, a basis which has been adopted in other cases where compensation has been voted. I cannot conclude without a reference to the accident which took place at Ardeer factory at the end of July. While you will not expect at present to be given any details, I may say that the production of munitions has not been seriously affected, and that already the normal output of cordite has been practically resumed. I now beg to move the first resolution: "That it is desirable to wind up the Company, and accordingly that the Company be wound up voluntarily, and that Harold John Mitchell and Matthew Bain Dickie, both of 220 Winchester House, Old Broad Street, London, E.C., be and they are hereby appointed liquidators for the purpose of such winding up."

Mr. F. J. Shand seconded the resolution.

Mr. Gavin W. Ralston said that the circular calling the meeting stated that the scheme had the sanction of the British Government. He wished to know when that sanction was given, and by whom; also who were the parties to the agreement, and what guarantee they had that the agreement would be respected by the German signatories.

The Chairman, in reply, said he had already stated that the whole proceedings had been carried through, step by step, with the sanction of the British Government. That, of course, meant the Home Office. The directors had taken all the safeguards that could possibly be taken by prudent men.

Mr. W. H. Radford said that he had no doubt the English directors had done their best for the shareholders, but they were asked to confirm agreements which they had not seen. He personally had gone to the office of the Company to see the agreements, and found that in addition to the cancellation of shares there were very large payments to be made in cash on both sides. He thought a small committee of shareholders should be appointed to examine into the details, and that the meeting should be adjourned to receive a report thereon. He accordingly moved an amendment to that effect.

Mr. Ralston seconded the amendment. He said that the shareholders had complete confidence in the board, and the board should show complete confidence in the shareholders by accepting the amendment.

Mr. H. A. Begg asked for a valuation of the property they were parting with in Germany, and a valuation of the property which they were retaining in this country. He had every confidence in the board, but the shareholders were now asked to vote things they knew little or nothing about.

Mr. G. L. Moore considered that the shareholders were entitled to more information than they had received about the Glasgow Company.

The Chairman said that the board had been criticised in a perfectly legitimate way as to their policy of having any co-operation with the Germans at all. That co-operation had lasted for 30 years, and had certainly not been to the disadvantage of this Company. He hoped it had also been of some advantage to the people who had been their coadjutors, because they had worked with mutual confidence, and each had learned a good deal from the other. At all events, he would like to claim from that association that they had kept the Glasgow Explosives Company as a British concern, for which they were entitled to some credit. The fact that no one beyond Mr. Radford had been to see the agreements argued great confidence in the directors. He wished to point out, however, that the shareholders had had an opportunity during the past fortnight to examine the agreements at the office of the Company. It was true that they were complicated, but that was because the operations of the Company had been very large. With regard to the valuation of the property given up and that retained, roughly it was 60 per cent. British and 40 per cent. German. In addition to the Home Office, the Board of Trade and the Treasury had made a full examination of the scheme. There

was no objection to the share taken by a committee to examine the agreements before the date of the preliminary meeting, but this was a matter of importance, and he could not consent to an adjournment of the meeting. The amount to be paid to the directors in total salaries approximately £162,255. This was the balance between what the Trust bought from the Germans and what the Germans bought from the Trust. Two of the members of the board were directors of the Glasgow Company, and it was probable that as a matter of policy the company would not have to have an office in London. The effect of the arrangement would be to make a considerable reduction in the expenses.

On a show of hands the resolution was not carried by the requisite three-fourths majority, and a poll was taken, with the result that it was approved by 44,000 votes to 176.

The resolutions approving of the draft agreements were agreed to *nem. con.* With regard to the payment of £23,332 as additional remuneration to the directors, an amendment was proposed that the sum should be reduced to £10,000, which sum the directors accepted.

A vote of thanks to the Chairman concluded the proceedings.

### LIPTON, LIMITED.

At the meeting held August 24 at Manchester House, Mr. Robertson Lawson, C.A. (Deputy-Chairman), presiding, called upon the Hon. Charles Russell, solicitor to the Company, to read a letter from the Chairman of the Company, Sir Thomas Lipton.

The Hon. Charles Russell then read the letter as follows:

It is a matter of deep regret to me that the state of my health makes it impossible, for the first time since the inception of the Company, to preside at our annual meeting to-day, but since my return from Salonica I have been very unwell, and have not been able to leave my house. My doctor has imperatively forbidden me to be present at the meeting, and I am perforce obliged to abide by his orders, though very much against my own inclinations. I hope you will accept this expression of my very sincere regret at not being able to meet you, as I should otherwise have been only too pleased to do.

"For some considerable time past, and as I indicated at our last meeting, I have felt the necessity of introducing fresh blood into the direction and management of the business, and the new directors whose names appear on the report are, in my judgment, most valuable additions to the board. Mr. Robertson Lawson is a well-known chartered accountant, who has wide experience in dealing with the intricate financial affairs of public companies, and I consider that he has more than justified his appointment as Deputy-Chairman in view of the extremely able way in which he and Mr. Peters, in conjunction with Mr. Bowker, faced and handled a very difficult situation. Mr. Peters also has had a very wide experience of stores and of commerce generally, and has held many important and responsible positions in large businesses, while Mr. Bowker is well known in the City as a gentleman of much experience in business affairs.

"I have, therefore, the greatest confidence in recommending these gentlemen to you. The report and what may be said from the chair to-day will, I think, sufficiently confirm all I have to say in this connection.

"I may tell that, in addition to the reconstruction of the board, several changes have been made, and are being made, in the *personnel* of the management, all of which changes I feel sure will contribute to increased efficiency in the conduct of the business and to improved results in the near future.

"For myself, I would only again say that it is a matter of supreme regret to me that I cannot be present with you to-day, but it is some satisfaction to me to think that the obligations for which I have made myself responsible will go far to convince you, if such is at all necessary, of my abiding interest in the Company's well-being.

"Yours faithfully,

THOMAS J. LIPTON."

The Chairman said: We can quite realise that the position which we have to place before you to-day, as indicated in the report, must be a disappointing one and to none is it more so than to Sir Thomas Linton and the board of directors. But, to come to the point at once—Mr. Peters and I had not been long on the board before we, in co-operation with Mr. Bowker, realised that the position of affairs required to be dealt with very firmly, and, in certain directions, drastically. There was lack of cohesion and consolidation about the management generally. The new directors therefore, after an exhaustive preliminary examination, took steps not only to get right down to the bedrock of the situation, but to commence the reorganisation of the internal management, while at the same time not interfering with the proper running of the business in any particular. This work has been going on now for over three months, and although much satisfactory progress has already been made, it will naturally take some time before the complete scheme is carried out.

### The Stock Investigation.

It seemed to us that certain of the stocks carried were too heavy for the business being done, and we therefore applied definite tests with the object of checking these stocks. The result of full stocktaking investigation revealed the fact that the stocks had been seriously overstated in previous accounts and were deficient to a considerable amount. In addition to the differences in the stocks we were faced with a substantial shortage of capital in consequence of several speculations having been entered into, which also resulted in considerable loss. The result of all this meant that from the point of view of actual working capital—which, of course, includes the deficiencies of stocks—we found the position short by nearly £250,000. Sir Thomas has told me on several occasions that he has never sold any of his shares, and that there is one thing he cares about more than anything else in the wide world, and that is the good name of Lipton. I think you will all agree that he has shown this to be true in an extremely practical way—a way which appeals more readily than anything else to shareholder and business man alike—the repayment of the deficiencies, under the terms of an agreement which the directors consider satisfactory.

I have now to refer to the important paragraph in the report dealing with the further provision suggested for depreciation of plant, machinery, fixtures, fittings, &c., and the utilisation of the item "Premium on shares account," amounting to £220,888. You are naturally entitled to be informed in detail how we justify our recommendation. Although these items have been depreciated from time to time since the Company was formed, as you will find on reference to previous reports and balance sheets, the amounts so provided for were spasmodic and insufficient, and if a regular percentage of sufficient amount had been provided for every year a considerably larger amount would have been written off from time to time in previous accounts. We have therefore written off the sum of £132,341 against the depreciation of "plant, machinery, fixtures, fittings, utensils, carts, horses, &c." Apart from the deficiencies in the stocks, we found that certain of the stocks had also depreciated substantially in value, and accordingly we have provided £52,502 to bring these stocks down to their present market value. In previous trading accounts practically no provision had been made for this depreciation, although this ought to have been brought to the board's notice by the officials directly responsible to the board for the stocks. We have further written off the lease premium account amounting to £14,563. In the past the investments have always appeared in the balance sheet at cost, but in view



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No. 419.

of the large depreciation in all securities we have thought it well to bring them down to the present market value, and we have accordingly provided the sum of £14,339 for such depreciation. The question of goodwill is generally a difficult, and at times a burning, one. The goodwill stands at the same figure as it has always done—namely, £1,445,620. Nothing is to be gained by depreciating the amount on the present occasion, but you may take it that this item will be dealt with in the future, as the board are strongly of opinion that a commencement must be made as soon as possible to reduce this sum every year in future. In regard to the sundry debtors, the large increase in the amount is entirely accounted for by Sir Thomas Lipton's generosity in providing the capital necessary to replace the discrepancies to which I have referred. Sir Thomas desired that the latter should be dealt with in the balance sheet as at March 13, and the entries were therefore made in the books as at that date, with the full concurrence of the auditors. It must be obvious to you that with the writing-down which is recommended, together with the large sum of capital which Sir Thomas has agreed he will provide, and with confidence and promptness, it is only a question of time, and I trust not a very long time—before the whole business will respond, and respond satisfactorily, to the rearrangements which we now submit for your confirmation.

#### Chairman's Reply to Criticisms.

The Chairman, in reply to criticisms, said he took it that the shareholders had one object, and one object only, and that was not to make things more difficult for the Company than was absolutely necessary. So far as he was personally concerned, he had not known Sir Thomas Lipton in any shape or form until five months ago, and the suggestion that he was representing any group was entirely erroneous. He was on the board entirely and solely in the interests of the shareholders. With regard to Mr. Peters, he had arranged to give up all his other duties and to devote himself exclusively as managing director of Lipton, Limited.

#### The £248,000 a Gift.

Altho' it might be reason for the shareholders to criticise the past management and Sir Thomas Lipton, he would respectfully suggest that the time for such criticism had gone by. Sir Thomas had arranged to hand over to the Company £248,000 in cash as a gift. He had entered into an agreement to that effect, and the directors expected to get the first £100,000 next week or the week after. Under all the circumstances, it would be a great pity, and it might have disastrous results to the position of the Company if they appointed a committee of investigation such as was suggested. He would frankly say that no committee of investigation could have accomplished what the new directors had been able to do quietly and without upsetting the business. He did not think the shareholders would find the new board making the same mistakes that the late board had done, and if the shareholders were prepared to give them a chance they would do their best for them. They had 459 branches and five tea shops. In regard to extensions, they did not intend to embark upon any what might be called big speculative developments. They would proceed cautiously, and he would ask the shareholders to leave it to the board to give them in the future an account of their stewardship. Under all the circumstances he appealed to the mover of the amendment to withdraw it. In regard to Sir Thomas Lipton's holding, that gentleman had not sold a single share, and therefore he had never benefited by any of the premiums. Mr. Russell informed him that instead of realising a single share Sir Thomas had substantially added to his holdings. He would point out that shareholders in Lipton, Limited, had received back their capital by way of dividend, and now, in addition, Sir Thomas Lipton was placing £250,000 at the disposal of the board, which would undoubtedly give the business a chance such as it had not had for the last six or seven years.

Mr. Bickerton withdrew his amendment for obtaining a committee of investigation, and the resolution for the adoption of the report and accounts was carried unanimously.

The confirmation of the appointment of Mr. Robertson Lawson, Mr. H. L. Peters, and Mr. Alfred Bowker as directors was unanimously agreed to.

#### THE SISSERT COMPANY, LIMITED.

THE third ordinary general meeting was held at Winchester House, E.C., on August 27, Sir James B. Dale, Bart. (the Chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said: Dealing first with the report, you will have noticed that the indebtedness of the Sissert Mining District Company to this Company has been increased during the year by 303,312 roubles. This represents sums we have advanced for purchase of plant, erection of buildings, &c. You are probably disappointed with the small amount of profit earned by The Sissert Mining District Company in 1914, which did not permit of them paying a dividend, but the War has adversely affected the existing business of the Company by making it more difficult to obtain the requisite labour and raw materials, such as coke, &c.

The War has also acted detrimentally in retarding new developments. For instance, when we met last year we confidently expected that the Sissert Mining District Company would by now have completed and had running the projected new railway from Sissert Siding to Sysselesky, but it has not been possible to obtain materials and sufficient labour to complete this railway within the time; in fact, practically nothing has been done, with the exception of earthworks, since the War began, and this work is now at a standstill. Also, the installation of the Bessemerising process at the Gumeshevsky smelter has been unavoidably delayed by the difficulty of obtaining delivery of plant. When the War broke out the Sissert Mining District Company had placed an order with a Russian Electrical Company for a turbo generator to give them additional power, part of which was to be used in the converter plant. By reason of the War, the Russian Electrical Company were unable to fulfil their contract, and last November the necessary machinery was ordered in England. After delays occasioned by the congestion of factories in this country, owing to the manufacture of munitions of war, this machinery was on the point of shipment last month, when it was requisitioned by the British Government, and now has to be obtained elsewhere. Difficulties of transport are this year affecting deliveries from the iron works, but all these difficulties are not peculiar to the Sissert Mining District Company, as all Russian Companies must be affected in a similar manner for the time being. I will now deal with by far the most important matter—the work at Degtiarsky—where I am glad to say that, in spite of the War, the Sissert Mining District Company have been able to prosecute their drilling campaign without interruption. You will have seen from the particulars sent out with the report the highly satisfactory results achieved. When last year I said that the engineers hoped within 12 months to actually prove between 2 and 3 million tons of ore, I expect some of you may have thought this too optimistic an outlook. In a newspaper article dealing with the prospects of the Company a somewhat ironical statement appeared to the effect that if the Sissert Mining District Company did succeed in the course of 12 months in proving between 2 and 3 million tons of ore they would achieve a mining triumph. Well, this they have achieved, as up to the middle of last June they had actually proved 2,400,000 tons of 3 per cent. ore. Deducting from this the 250,000 tons of ore proved at our last meeting, we are left with between 2 and 3 million tons of ore proved in 12 months; besides which, as you will have seen from the report, a further 700,000 tons of ore is indicated. I should also like to say just a few words about the estimates of profit that may be anticipated from the treatment of the Degtiarsky ore. In order to be on the safe side, outside figures for cost of mining, smelting, &c., have been taken, and the engineers confidently anticipate that when the mine and smelter are in full swing the actual costs of producing the copper will be below the estimated figures. I should also like to emphasise the fact that before arriving at the total profit of £539,500 which it is estimated the 3,100,000 tons of Degtiarsky ore will yield, there has been deducted the whole of the probable capital outlay, including the cost of a railway extension of some eighteen miles to connect up the mine with the Sissert siding and Sysselesky railway. The Sissert Mining District Company, having proved this large quantity of ore consider it unnecessary at present to undertake further drilling in what has been called on the first plan the "partly prospected" and "unprospected" areas, and we think they are right in this decision, as they are now fully justified in embarking on the erection of smelters and refineries to treat up to 300,000 tons of ore per annum. It will interest you to hear that since the particulars with the report were compiled the Sissert Mining District Company have advised us of some further boring results; to make these clear I will refer to the second plan sent with the report. A shallow hole No. 652 has been completed between holes 642 and 643 on the left of the plan; this hole cut sulphide ore of an actual width of three feet five inches, averaging 3.7 per cent. copper, and was put down to make quite certain that the grade of ore was continuous between holes 642 and 643. Hole 650, which was bored between holes 642 and 648, with a similar object, has unfortunately given no reliable results owing to the broken nature of the ground, and another hole is being drilled there. You will see from the second plan that the bore holes have been put down so as to cut the ore body on three levels; with a view to seeing if the ore extended below the lowest of those levels a still deeper hole, No. 649, is being bored immediately under hole 635. This hole, 649, has cut sulphide at a depth along the hole of 908 feet, which is about 80 feet deeper than any bore hole hitherto completed. This bore hole is therefore of very great importance, as showing the continuance in depth of the ore body. So far only a small amount of ore has been obtained, which, however, assayed 2.57 and 2 per cent. copper. Owing to the broken nature of the ground this hole has to be enlarged before it can be drilled further, and I am therefore unable today to give you the results of the completed hole. The two shafts, called the London and Petrograd shafts, that are being sunk at Degtiarsky have not, owing to

the copper contents of the ore there found: "North drift from London shaft averages three and six-tenths copper, and South drift two and seven-tenths." When it comes to consideration of the future of the mine, the directors of the Sissert Mining District Company are

plying material for munitions of war. As you know, we on this side of the table, at any rate, pin our faith in the Sissert Estate, not so much on the old mines, but rather, as I said last year, on future potentialities, one of which is now no longer a potentiality, but a reality. In Degtiarsky over a known length of outcrop of 9,500 feet, only 5,500 feet, ore, and, as already mentioned, almost a certainty of another 700,000 tons. Besides this there is a very large amount of lower-grade ore. Also we know that payable ore exists in the "partly prospected" and "unprospected" areas of the outcrop, and I therefore think you will agree with us that this by itself fully justifies our faith in the Sissert Estate. Moreover, we feel confident from surface indications that further mines will in the future be discovered on other parts of the estate. I feel that we are now in a position to consider all necessary arrangements for future finance, and in the meantime I am happy to inform you that we are getting all the money we require for such capital expenditure as we are physically able to undertake in the present circumstances.

The report and accounts were unanimously adopted, and a proposal to contribute 200 guineas to the Anglo-Russian Hospital was also unanimously agreed to.

### MISCELLANEOUS.

**BARNES AND JONES.**—Interim dividend at rate of 6 per cent. per annum, less tax, on Ordinary.

**BAINSLY BREWERY CO.**—Dividend of 7 per cent. on Ordinary, making 10 per cent. for the year.

**BRITISH AMERICAN TOBACCO CO.**—Interim dividend of 5 per cent. on Ordinary, tax free.

**BROOKS, THOMAS AND CO.**—Interim dividend at rate of 5 per cent. per annum on Ordinary.

**LIFORD CHARLES AND SONS.**—Interim dividend of 1s. 1 share, tax free, on Ordinary.

**NOWE, WILSON AND CO.**—Interim dividend at rate of 7 per cent. per annum, tax free, on Ordinary.

**CIVIL SERVICE SUPPLY ASSOCIATION.**—Interim dividend of 1s. 3<sup>7</sup>/<sub>10</sub>d. per share, less tax.

**CROSSLEY BROTHERS.**—Interim dividend at rate of 5 per cent. per annum on the Cumulative Preference shares and a dividend at the rate of 4 per cent. per annum on Ordinary shares.

**DALMELLINGTON IRON CO.**—Dividend of 5s. per share on Ordinary, making 7<sup>1</sup>/<sub>2</sub> per cent. for the year, tax free.

**DUBLIN GRANARIES CO.**—Interim dividend at rate of 2<sup>1</sup>/<sub>2</sub> per cent. per annum.

**LONDON GUARANTEE AND ACCIDENT CO.**—Interim dividend of 12<sup>1</sup>/<sub>2</sub> per cent., less tax, on Ordinary.

**MOORS' AND ROBSON'S BREWERIES.**—Interim dividend at rate of 5 per cent. per annum, less tax, on Ordinary.

**OARLEY (JOHN) AND SONS.**—Interim Ordinary dividend at the rate of 10 per cent. per annum.

**PETER ROBINSON.**—Interim dividends at rate of £5 per cent. per annum on the Preference and at rate of £7 per cent. per annum on the Ordinary shares.

**STANDARD BANK OF SOUTH AFRICA.**—An agency has been opened at Maclean town, near King William's Town, Cape Province, also at Luderitzbucht, in the territory hitherto known as German South-West Africa.

**STANDARD BANK OF SOUTH AFRICA, LIMITED.**—Interim dividend for half-year ended June 30 at the rate of 14 per cent. per annum, subject to income tax. The Bank's investments have been written down to their lowest ascertainable value as at June 30 last, and all other usual and necessary provisions have been made.

**SWITZER AND CO.**—Interim dividend at rate of 7 per cent. per annum on Ordinary.

**STEWARTS AND LLOYDS.**—Interim dividend at the rate of 10 per cent. per annum on the Preferred Ordinary shares.

**STRAKER-SQUIRE (1913).**—Interim dividend of 1s. per share, less tax.

**TODD, BURNS AND CO.**—Interim dividend of 3 per cent.

**THE "Wireless Press"** announce that they have made arrangements for the regular reception of the Italian official *communiqués* by wireless telegraphy direct from Italy in the original language. These will be translated, censored, and passed to the Press in the regular way.

**WASTE HEAT AND GAS ELECTRICAL GENERATING STATIONS.**—Interim dividend of 2<sup>1</sup>/<sub>2</sub> per cent. on share capital, less tax.

### RAND DEVELOPMENTS.

**Durban Roodepoort Deep.**—Recent developments as under:—

Period	Main Reef			South Reef		
	Dist. Feet	Width Inches	Value	Dist. Exposed Feet	Width Inches	Value
1911, Mar. qtr.	4	1	37 7	792	11	1
" June qtr.	770	32	38 4	0	0	0
" Sept. qtr.	1,190	2	51 8	72	9	122 5
" Dec. qtr.	7	27	37 7	405	6	1
1912, Mar. qtr.	605	1	1,063	7	14	1
" June qtr.	1,171	7	1 7			

• Development complete.

**Ferreira Deep.**—Recent developments as under:—

Year ended	M. R. Leader			South Reef		
	Dist. Feet	Width Inches	Assay	Dist. Feet	Width Inches	Assay
Sept. 30 1913	1,171	31	65	5	1	115 5
Dec. qr. ...	1,171	2	54 7	72	1	121 10
Mar. qr. ...	1,171	2	54 7	72	1	121 10
June qr. ...	1,171	2	54 7	72	1	121 10

The quarterly report adds:—"Owing to the possibility of a recurrence of trouble in No. 2 Incline it has been decided to deepen the vertical portion of the shaft and to connect it by a cross-cut to the incline on the 7th level; this will allow of the abandonment of the affected portion of the incline. It is anticipated that this work will take about twelve months to complete, and some delay to hoisting will of course occur when the connection to the existing shaft near the bend takes place; this work, which has been already commenced is estimated to cost £30,000, but as the development of the mine is in an advanced state, current development operations will tend to decrease, which will, to some extent, equalise this abnormal expenditure."

**Geldenhuis Deep.**—Recent developments as under:—

Period	Main Reef			M. R. Leader			South Reef		
	Dist. Feet	Width Inches	Assay	Dist. Feet	Width Inches	Assay	Dist. Feet	Width Inches	Assay
1914, Mar. qtr.	1,646	27	46 7	727	8	79 1	1,245	15	69 9
June qtr.	2,781	33	37 13	9 9	11	72 6	2,278	15	71 5
Sept. qtr.	1,835	32	32 3	1,237	8	101 7	2,784	16	60 11
Dec. qtr.	1,296	25	36 6	1,545	10	94 6	1,722	16	64 8
1915, Mar. qtr.	797	31	40 3	536	17	60 5	1,376	19	64 6
June qtr.	1,417	25 5	39 11	350	17 6	33 6	693	23 1	69 4

### Johannesburg Consolidated Group:—

**CONSOLIDATED LANGLAAGTE.**—During the June quarter an addition of some 2,800 tons was made to the ore reserves.

**GINSBERG.**—The June quarterly report mentions that "development to the east of the North Shaft continues to expose satisfactory values."

**GLENCAIRN.**—In the June quarter "the ascertained ore reserves were depleted by 48,500 tons."

**GOVERNMENT AREAS.**—During the last quarter "a considerable amount of development work was accomplished, and ore of excellent value has been exposed at all four shafts. At the South Section particularly encouraging values are being encountered. The ore reserves were increased during the quarter by 109,659 tons, and at the end of June the payable ore reserves were estimated at 2,256,349 milling tons. . . . The excavations for the additional 50,000-ton reduction plant have been put in hand, and the bulk of the plant has been ordered."

**NEW UNIFIED.**—Development results during the June quarter are stated to be satisfactory, "the values exposed on the South Reef being quite good."

**VAN RYN DEEP.**—The quarterly report for June states that "good progress was made with the development of the mine, the footage accomplished showing an increase of 568 feet. . . . The average value of the reef exposed has been quite satisfactory."

**WITWATERSRAND GOLD.**—In the last quarter "development values have been maintained, and the ore reserves have been augmented to the extent of 28,000 tons."

**Modder B.**—Recent developments as under:—

		Distance Exposed Feet	Width Inches	Assay Value s. d.	Inch-Shilling Value s.
1914.	Mar. qr.	2,094	15	72 8	1,089
	June qr.	2,271	13	98 3	1,277
	Sept. qr.	2,309	18	71 0	1,278
	Dec. qr.	1,803	22	85 2	1,884
1915.	Mar. qr.	2,079	19	89 6	1,700
	June qr.	1,546	23	77 3	1,776

**Main Reef West.**—The recent development showings have been as under:—

			Main Reef Leader Feet Proportion Sampled on Pay Reef	Value Over 48 In. s. d.
1914.	Mar. qr.	...	2,244½	37.1 31 0
	June qr.	...	2,389	36.2 33 2
	Sept. qr.	...	2,018½	47.4 30 7
	Dec. qr.	...	2,587	43.5 31 0
1915.	Mar. qr.	...	2,489½	60.7 32 9
	June qr.	...	2,441½	52.2 32 9

**Modderfontein.**—Recent developments as under:—

		Distance Exposed Feet	Width Inches	Assay Value s. d.	Shilling Value s.
1914.	Mar. qr.	2,573	13	193 7	2,615
	June qr.	2,669	10	204 9	2,047
	Sept. qr.	3,507	11	131 2	1,442
	Dec. qr.	3,420	12	140 5	1,684
1915.	Mar. qr.	3,612	12	169 5	2,032
	June qr.	2,935	11	191 6	2,106

**Nourse Mines.**—Recent developments as under:—

		Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.	Dist. Exposed Feet	Width Inches	Assay s. d.
1914.	Mar. qr.	540	43	24 9	610	11	89 6	650	25	84 8
	June qr.	780	42	22 9	1,005	17	42 5	1,150	24	53 5
	Sept. qr.	936	47	22 11	1,332	15	47 7	1,110	23	43 3
	Dec. qr.	1,595	49	24 9	1,975	21	43 3	1,360	25	35 0
1915.	Mar. qr.	1,455	56	27 9	1,952	15	47 0	1,475	21	51 8
	June qr.	1,960	49	34 0	2,700	16	57 11	1,525	22	47 0

**Princess Estate.**—Recent developments below:—

		Distance Exposed Feet	Width Inches	Assay s. d.	Distance Exposed Feet	Width Inches	Assay s. d.	Distance Exposed Feet	Width Inches	Assay s. d.
1914.	Mar. qr.	345	41.8	27 7	27 7	25	33 2	...	...	...
	June qr.	425	45.5	21 0	9 0	25	35 8	...	...	...
	Sept. qr.	393	58.4	25 11	646	25	35 3	...	...	...
	Dec. qr.	285	49.8	21 3	770	25	37 5	...	...	...
1915.	Mar. qr.	605	53.3	20 7	1,000	25	31 0	...	...	...
	June qr.	740	48.9	25 11	670	25	32 9	...	...	...

**Rose Deep.**—Recent development showings as under:—

		Distance Exposed Feet	Width Inches	Assay s. d.	Distance Exposed Feet	Width Inches	Assay s. d.	Distance Exposed Feet	Width Inches	Assay s. d.
1914.	Mar. qr.	668	35	32 4	546	22	21 0	145	33	31 1
	June qr.	663	34	36 6	604	23	23 5	164	31	22 3
	Sept. qr.	337	27	49 1	290	23	49 6	167	24	37 4
	Dec. qr.	244	18	36 6	177	30	25 10	156	32	24 4
1915.	Mar. qr.	325	19	65 11	225	26	24 4	310	16	34 5
	June qr.	291	23.2	35 3	238	30	27 9	128	22.7	29 5

**Sub-Nigel.**—Recent development returns have shown as under:—

		Distance Exposed Feet	Width Inches	Assay s. d.	Distance Exposed Feet	Width Inches	Assay s. d.
1914.	Mar. qr.	1,582	11.0	10.4	112 6	...	...
	June qr.	1,035	695	8.3	137 8	...	...
	Sept. qr.	1,568	965	7.25	186 3	...	...
	Dec. qr.	1,521	880	15.19	101 7	...	...
1915.	Mar. qr.	1,562½	895	14.9	103 8	...	...
	June qr.	1,591½	810	1.9	75 3	...	...

The development return adds: "During the month of June the new plant was brought into commission, and the rate of milling will increase gradually." It will be remembered it was last year stated the intention was to raise the capacity of the plant to 8,000 tons per month, representing an increase of from 60 to 70 per cent. The July return showed 6,570 tons crushed, comparing with an average monthly tonnage for the June quarter of 5,230 tons.

**Village Deep.**—Recent developments as under:—

		Distance Exposed Ft.	Width In.	Assay s. d.	Distance Exposed Ft.	Width In.	Assay s. d.
1914	...	7,557	23.2	12.3	1,247	24.0	53 7
1915.	Mar. qr.	1,130	23	74.4	303	17	41.2
	June qr.	1,509	24	63.1	192	21	34.0

**RAND GOLD OUTPUT.**

**Kleinfontein.**—Capital issued, £1,151,540, in £1 shares; £175,000 6% Debentures. 220 stamps. Four tubes. Plant capacity now over 600,000 tons a year.

Yr. ends Dec. 31 Stps.	Tons Sort- Milled	ing %	Revenue £ Amt. Per ton	Expenses* £ Amt. Per ton	Profit £ Amt. Per ton	Price end of Period
1914 ... 200	601,000	19	791,722	26/4	528,452 17/7	263,270 8/9
1915.						
Mar. qr. 200	155,050	17	200,137	25/9	132,458 17/1	67,679 8/8 24/6
June qr. 200	155,800	—	203,380	25/11	135,932 17/4	67,448 8/7 22/9
July ... 200	54,350	—	70,481	25/11	46,258 17/4	24,223 8/7 23/0

\* Not including considerable expenditures in connection with the Apex and Benoni sections.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 5 per cent.

**Langlaagte Estate.**—Capital £950,000; issued, 886,500 £1 shares. 200 stamps; five tubes.

Year to	Tons	Revenue	Expenses	Profit	Price
Dec. 31	Milled	ing Amt.	Per ton	Amt. Per ton	end of Period
1914 ...	589,619	710,257	24/0	530,943 18/0	185,854 6/4

[Profits include estate, &c., revenue for 1914, £6,481.]

Yr. ends	Tons	Revenue	Expenses	Profit	Price
June 30 Stps.	Milled	ing Amt.	Per ton	Amt. Per ton	end of Period
1915.					
Mar. qr. ...	147,168	173,460	23/7	129,425 17/7	44,035 6/0
6 months ...	299,366	356,581	23/10	271,272 18/1	85,308 5/9
July ...	52,649	59,576	22/7	46,773 17/9	12,803 4/10

\* For April and since ounces produced are given. The value has been calculated on the basis of £4½ per fine ounce being secured.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 7½ per cent.

**Main Reef West.**—Capital, £491,188, in £1 shares; £256,223 Six per Cent. Debentures. 120 stamps, three tube mills; capacity, 25,000 tons monthly.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
June 30 Stps.	Milled	ing %	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period
1913-14...91av.	212,981	11½	303,104	28/5	246,468 23/1	56,636 5/4
1914-15.						
Sept. qr. 100	66,100	9	79,733	24/1	63,975 20/3	12,758 3/10
Dec. qr. 100	66,770	9½	76,093	22/9	63,951 19/2	12,142 3/7
Mar. qr. 100	44,490	10½	77,682	24/1	65,027 20/2	12,655 7/11
June qr. 100	72,100	11½	85,205	23/7	71,885 19/11	13,320 3/8
12 mos. —	289,520	10	312,713	23/8	267,838 19/11	53,875 3/9
1915-16.						
July ... —	21,700	—	29,318	23/8	24,984 20/2	4,334 3/6

Dividends—1912, June, 7½; Dec., 5 per cent; nil since.

**Randfontein Central.**—Capital, £4,500,000; issued, £4,193,700, in £1 shares. £2,918,400 of 6% Debentures, repayable at rate of £150,000 per annum. Plant: 1,000 stamps, 29 tube mills.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31 Stps.	Milled	ing %	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period
1914...907av.	2,493,334	2.885	599	23/2	2,071,825 16/7	813,774 6/6
1915.						
6 mos.*	1,200,939	1.335	489	22/9	1,063,142 17/8	302,347 5/1
July ... 945	211,646	214,141	22/9	187,119 17/5	57,032 5/4	11/3

\* Mining operations considerably hampered by flooding of several of principal shafts, due to abnormally heavy rains.

Dividends—1912, Dec., 5 per cent. 1913, June, 7½ per cent.; Dec., 2½ per cent. 1914, June, nil; Dec., nil. 1915 June, 2½ per cent.

**Robinson Deep.**—£1,000,000, in £1 shares 180 stamps and 10 tube mills, capacity 65,000 tons.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Mar. 31 Stps.	Milled	ing %	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period
1914-15...119av.	595,730	8½av.	827,214	28/3	510,155 17/5	317,059 10/10
1915-16.						
June qr. 130	162,000	—	221,663	27/8	148,299 18/3	76,394 9/5
July ... —	55,700	—	74,860	26/9	49,616 17/0	25,034 8/11

Reserve gold: April, 1,714; May, 1,031; June, 1,031; July, 1,610 oz.

Dividends—1914, June, 12½; Dec., 10 per cent.  
1915, June, 10 per cent.

**Robinson G.M.**—£2,750,000, in £5 shares. Six tube mills. Sundry revenue and accumulated slimes profit not included in yearly figures.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31 Stps.	Milled	ing %	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period
1914 ... 250	638,000	—	1,027,092	32/2	454,906 14/3	572,186 17/11
1915.						
Mar. qr. 250	170,400	4½	247,178	29/0	115,464 13/7	131,715 17/5
June qr. 250	175,900	—	256,853	29/2	117,076 13/4	139,780 15/10
July ... —	55,000	—	80,076	29/1	39,008 14/2	41,070 14/11

Dividends—1914, June, 9 per cent. and bonus of 10 per cent.  
Dec., 9 per cent.  
1915, June, 8 per cent.

**Simmer and Jack.**—£3,000,000, in £1 shares; 320 stamps and seven tube mills; monthly and quarterly results include sundry revenue.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price		
June 30	Stps.	Milled	ing	£	Per ton	£	Per ton	Period
1913-14	320	769,600	2 1/2	798,339	2 9/16	478,780	15 3/4	322,678 8 5 1/8
[Plus £34,126 additional rental and interest revenue for 1914-15.]								
1914-15.								
Sept. qr.	320	186,100	2 1/2	193,983	2 9/16	114,978	12 5/8	77,623 8 4 —
Dec. qr.	320	212,900	1	232,769	2 1/10	103,444	12 1/2	103,474 9 8 —
Mar. qr.	320	194,600	2	223,792	2 1/8	133,338	14 1/4	81,154 8 8 9/3
June qr.	320	214,700	—	222,903	2 1/16	138,755	12 3/8	86,048 8 0 11 0
12 mos...	320	808,300	—	849,117	2 1/8	517,411	12 1/10	392,236 8 8 11 0
July ...	—	74,100	—	78,566	2 1/8	46,291	13 1/2	32,565 9 3 9 9
Gold reserve July, 9,456 oz.								
Dividends—1914, June, 5; Dec., 5 per cent.								
1915, June, 5 per cent.								

**Simmer Deep.**—Capital issued, £1,650,000 in £1 shares. There are £584,400 of Five-and-a-Half per Cent. First and £237,500 of Five per Cent. Second Debentures. Nine tube mills. Profits include sundry revenue.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing	(Revenue £mt. Per ton	(Expenses £mt. Per ton.	(Profit £mt. Per ton	Price Per end of Period
1913 ...	169av.	709,900	3 $\frac{1}{2}$	578,364 16 3	523,654 14 3	54,710 1 6	2 3
1914 ...	180	643,000	1 $\frac{1}{2}$	534,362 16 7	495,724 14 5	39,037 1 2	—
1915.							
Mar. qr. 180		190,300	3	154,786 16 3	140,424 14 9	14,363 1 6	1 $\frac{1}{2}$
June qr. 180		193,300	—	158,869 16 5	142,131 14 8	16,523 1 9	1 3
July ... —		61,800	—	48,654 18 9	43,654 14 1	5,000 1 8	1 $\frac{1}{2}$
Gold reserve: Jan., 2,928; June, 2,749; July, 1,999 oz.							

**Sub Nigel.**—Capital £475,000 in £1 shares. Issued, £431,580.

Year ends	Tons	Sort-	Revenue		Expenses		Profit		Price
June 30	Stps.	Milled	£	Per ton	£	Per ton	£	Per ton	end of Period
1914 ...	25	57,655	108,226	37 6	89,024	30 10	19,202	6 8	—
1915.									
Sept. qr.	25	15,230	29,349	38 6	23,208	30 6	6,141	8 0	—
Dec. qr.	25	13,760	23,875	41 11	24,972	36 3	3,903	5 8	—
Mar. qr.	25	13,790	27,795	40 4	21,321	35 3	3,474	5 1	1 1
June qr.	—	15,690	30,661	39 1	32,469	41 4	7,808	2 3	8 6
July ...	—	6,753	12,614	37 4	10,575	31 4	2,039	6 0	10 0

\* Loss during this quarter the new plant was brought into commission.

Dividends—1912-13, 7 1/2 per cent. 1913-14, 5 per cent. 1914-15, Dec., 2 1/2 per cent.; June, nil.

**Transvaal G. M. Estates.**—£604,225 in £1 shares; £77,992 of 5% Debentures. Three tube mills.

Year ends	Tons	Revenue	Expenses	Profit	Price				
Mar. 31	Stps.	Milled	£	£	end of				
			Per ton	Per ton	Period				
1913-14 ...	75	166,410	474,949	57/1	189,693	22/10	285,256	34/3	2 1/2
1914-15 ...	75	161,910	408,497	50 5/8	184,751	22 9/16	223,746	27 8	1 1/2
1915-16.									
June qr.	75	36,835	85,847	46 7/8	41,568	22 7/8	44,279	24/0	1 1/2
July ...	—	12,925	31,740	49/1	16,193	25 0/8	15,547	24/1	1 1/2

Dividends—1914, March, 17 1/2; Sept., 17 1/2 per cent. 1915, March, 12 1/2 per cent.

**Village Main Reef.**—£472,000, in £1 shares. Six tube mills. Wemmer mill now discontinued.

Year to	Tons'	Sort-	Revenue	Expenses	Profit	Price		
Dec. 31	Stps.	Milled	ing	£	£	£		
			Per ton	Per ton	Per ton	end of		
			£	£	£	Period		
1914 ...	190	378,500	17	625,519	36 3/8	346,274 18/3	339,245 18/0	—
1915.								
Mar. qr.	146 1/2	87,903	17	143,667	32 3/8	83,391 18/10	60,276 13/10	—
June qr.	160	92,450	—	155,752	33 8/8	86,906 18/9	68,846 14/11	—
July ...	—	31,560	—	53,704	34/0	29,607 18/9	24,097 15/3	1 1/2

Dividends—1914, June, 35; Dec., 35 per cent. 1915, June, 20 per cent.

**West Rand Consolidated.**—£2,025,000, in 2,000,000 Ordinary shares of £1 and 25,000 Deferred shares of £1 each. £469,730 Convertible Six per Cent. Debentures in issue. Plant capacity about 33,000 tons per month.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton £	Expenses Amt. Per ton £	Profit Amt. Per ton £	Price end of Period
1914 ...	100	310,750	15	377,344	24 3/8	308,945	19 10/16 68,263 4/5 —
1915.							
Mar. q.r. ...	100	90,000	13	102,740	22 9/8	87,169	19 3/4 15,230 5/5 6 0
June q.r. ...	100	92,200	13 1/2	110,321	24 1/4	87,193	18 11/16 23,128 5/0 5 8
July ...	—	31,500	—	54,496	25 0	29,736	18 10/16 9,790 6/2 8 9

**Witwatersrand Deep.**—£550,000, in £1 shares, £32,200 of Five-and-a-Half per Cent. Debentures now in issue. Four tube mills.

Year to Dec. 31	Stps.	Ton Milled	Sort- ing %	Revenue Amt.	Per ton	Expenses Amt.	Per ton	Profit Amt.	Per ton	Price end of Period
1914 ...	245	517,975	19	677,454	26 2	426,366	16 6	251,168	9 8	—
1915.										
Mar. qr.	245	125,114	10 1/2	161,995	25 1/10	107,887	17 3	54,018	8 7 1 1/2	1 1/2
June qr.	245	136,778	—	176,479	25 11/16	116,231	16 11	60,248	8 11 1 1/2	1 1/2
July...	—	42,390	—	56,320	26 0	36,978	17 5	18,342	8 7 1 1/2	1 1/2

Dividends—1914, June, 15; Dec., 17 1/2 per cent. 1915, June, 15 per cent.

**Witwatersrand (Knight's).**—£469,625, in £1 shares. Sundry revenue, say £2,000 a month, included in profits below. Mill 225 stamps; five tubes added October 1913; total capacity about 45,000 tons per month.

Year to Dec. 31	Tons Stps. Milled	Sort- ing %	Revenue Amt. £ Per ton	Expenses Amt. £ Per ton	Profit Amt. £ Per ton	Price end of Period
1914... 1915.	211½ av. 533,150	14	607,225 24 1	322,212 12 10	284,013 11 3	—
Mar. q. r.	210 121,550	19½	162,028 26 8	86,625 14 3	75,403 12 5	2½
June q. r.	210 127,010	—	159,580 25 1	84,381 13 3	75,199 11 10	3½
July ...	— 43,510	—	54,673 25 1	29,851 14 6	24,822 10 7	3½

Dividends—1914, June, 25; Dec., 25 per cent. 1915, June, 25 per cent.

**Wolhuter.**—£860,000, in £1 shares. Four tubes.

Year ends Oct. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. £	Per ton	Expenses Amt. £	Per ton	Profit Amt. £	Per ton	Price end of Period
1913-14	120	382,700	10 1/2	478,995	25 0	325,137	17 0	153,853	8 0	—
1914-15.										
Jan. qr.	120	96,400	17	116,528	24 1/2	81,610	17 0	34,918	7 2	1/2
Apr. qr.	120	96,350	16 1/2	119,914	24 1/11	84,985	17 7/8	34,929	7 3	14 0
May ...	120	36,100	16 1/2	43,417	24 1/11	28,952	16 1/8	14,468	8 0	14 0
June ...	—	34,990	—	42,450	24 1/4	28,427	16 3/8	14,023	8 1	11 6
July ...	—	36,000	—	42,487	23 7/8	29,429	16 4/8	13,058	7 3	1/2

Dividends—1914, April, 6 1/2; Oct., 6 1/2 per cent. 1915, April, 6 1/2 per cent.

**GLOBE AND PHENIX.**—Capital, £200,000 in 5s. shares.

Year ends		Tons	—Value—		—Mine Costs—		—Mine Profit—		Price
Dec. 31	Stps.	Milled	£	Per Ton	£	Per Ton	£	Per Ton	end of Period
1912 ...	40	72,933	481,497	132 0	129,863	35 7	351,634	96 5	1 1/2
1913 ...	40	76,051	500,971	131 8	147,043	38 3/8	353,928	93 0	1 1/2
1914 ...	40	73,559	465,686	123 7	162,426	44 2	333,260	82 5	—
1915.									
Mar. qr.	—	17,447	105,530	120 11/16	42,718	48 11/16	62,812	72 0	1 1/2
June qr.	—	18,753	96,008	102 4	43,723	46 7/8	52,285	59 0	27 6
July ...	—	6,288	31,994	101 11/16	14,418	46 0	17,576	55 11	1 1/2

Dividends—Account 1911, 8/0. Account 1912, 7/0. Account 1913, total, 6/3. Account 1914, July, 1/6; Oct., 1/6; Jan., 1/6; Mar., 1/6; total, 6/0. Account 1915, July, 1/0.

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Undivided Profits, \$1,252,864.  
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R. B. Angus, Esq., E. L. Greenfield, Esq., Sir William Macdonald, Hon. Robert Mackay, Sir Thos. Shaughnessy, K.C.M.G., C. H. Rosner, Esq., A. Beaumont, Esq., C. B. Gordon, Esq., R. W. Drummond, Esq., J. Forbes Angus, Esq., William McMaster, Esq.,  
Head Office: Montreal.

General Manager: Sir Frederick Williams-Taylor.  
LL.D. Assistant General Manager: A. D. Braithwaite, Esq.

Branches and Agencies throughout Canada and Newfoundland; also at New York, Chicago and Spokane in the United States, and at Mexico City, LONDON OFFICES:

47 Threadneedle Street, E.C., and  
9 Waterloo Place, Pall Mall, S.W.

London Committee: Sir Thomas Skinner, Bart.,  
A. Munro, Esq.,  
Manager: George Cyril Cassels.

**Financial Agents of the Government of the Dominion of Canada.**

The Bank undertakes monetary business with all parts of Canada, Newfoundland and the United States, and issues Sterling and Currency Drafts and Cable Transfers.

**THE ROYAL BANK OF CANADA.**

Capital Authorized - \$25,000,000  
Capital Paid up - \$11,560,000  
Reserve Funds - \$13,000,000  
Aggregate Assets - \$180,000,000

Head Office: MONTREAL.

Sir HENRIET S. BOLT, E. L. PEASE,  
President, Vice-President and General Manager.  
340 Branches in Canada and Newfoundland,  
20 Branches in Cuba, Porto Rico and Dominican Republic.

BRANCHES IN BRITISH WEST INDIES.  
ANTIGUA—St. John's, BAHAMA—Nassau; BARBADOS—Bridgetown; CUBA—HAVANA—Havana; GRENADA—St. George's; JAMAICA—Kingston; ST. LUCIA—Castries; TRINIDAD—Port of Spain; San Fernando.

Branch in Belize, Honduras—BELIZE.  
Branches in British Guiana—GEORGETOWN, NEW AMSTERDAM, JOSEPH TOWN.

New York Agency, Corner William & Cedar Streets.

LONDON OFFICE:  
2 Bank Buildings, Princes Street, E.C.  
JAMES MACKIE, Joint Manager.

**The Merchants' Bank of Canada.**

Established 1864.

Paid-up Capital \$1,000,000 £1,438,350  
Reserve Fund & Undivided Profits \$7,245,140 £1,483,727

Head Office: MONTREAL.

PRESIDENT: SIR H. MONTAGU ALLAN, C.M.G.,  
VICE-PRESIDENT: AL. W. L. BAKERWELL,  
GENERAL MANAGER: E. J. H. BROWN.

This institution has 200 branches and agencies extending from the Atlantic to the Pacific and to the West Indies.

Every facility offered to the business of immigrants; Savings Department, all deposits, where interest is allowed at a percentage per annum.

Drafts payable on demand or banking town in the United Kingdom or any other state.

Agents in Great Britain:

The London Joint Stock Bank, Limited.  
The Royal Bank of Scotland.

Letters of Credit, Remittances and Cable Transfers available at any banking point in Canada.

**Ernesto TORNQUIST & CO. LDA.**

BUENOS AIRES.

Established 1830.

Oldest Business Establishment in the River Plate.

CAPITAL FULLY PAID UP AND RESERVES, £2,325,036.

GENERAL FINANCIAL, BANKING AND COMMERCIAL BUSINESS.

**The BANK OF TAIWAN, LTD.**

(Incorporated by the Special Charter of the Imperial Japanese Government, 1889.)

Head Office: TAIPEH, FORMOSA.

BRANCHES:—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-Kong, Kiukiang, Shanghai, Singapore, Swatow, and every Important City in Formosa (Taiwan), &c.

The Bank is authorised TO ISSUE ITS OWN NOTES in Formosa, conducts GENERAL BANKING AND EXCHANGE BUSINESS, has CORRESPONDENTS at principal commercial centres, and offers SPECIAL EXCHANGE FACILITIES for Japan, Formosa, China and the Straits Settlements.

London Office: 58 OLD BROAD STREET, E.C.

**THE MERCANTILE BANK OF INDIA, LTD.**

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorized ... £1,500,000  
Capital Issued ... 1,125,000  
Capital Paid Up ... 562,500  
Reserve Fund ... 500,000

Branches:

INDIA, BURMAH, CEYLON, STRAITS SETTLEMENTS & CHINA.

The Bank has a large staff of Exchange Agents for the receipt and payment of all bills of exchange and all other business in connection with the East, on terms of discount and interest.

Deposits received for one year at 4 per cent. per annum, for shorter periods on application, on current accounts interest is allowed at 2 per cent. per annum on daily balances.

**THE BANK OF ADELAIDE.**

(Incorporated by Act of Parliament, 1865.)

A limited liability company, authorized capital, £1,000,000.

Paid-up Capital ... £500,000

Reserve Fund ... 510,000

Uncalled Capital ... £1,010,000

Reserve Liability of Shareholders ... 125,000

Reserve Liability of Shareholders ... 625,000

£1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances made.

Deposits received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

**THE EASTERN BANK, LIMITED.**

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T. (Chairman).

Sir JACOB E. SASSOON, Bart. (English Bankers Ltd.)

J. C. GORDON LUTILLER, Esq. J. S. HARKELL, Esq.

G. BROWN-MARTIN, Esq. J. LEIGH WOOD, Esq.

C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application.

Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

**BANCO ESPANOL DE LA ISLA DE CUBA.**

ESTABLISHED 1866.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,740,000

Assets - \$39,354,000

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKCORP.

KLEINWORT, SONS & Co.

LYONNÉS BANK LTD.

**THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.**

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. F. SHANBACKER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—E. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—C. P. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—

"FOUR BANK," SAMUEL MONTAGU & CO.

LONDON CITY AND MIDLAND BANK, LTD.

LYONNÉS BANK LTD.

**NATIONAL BANK OF INDIA LIMITED.**

Bankers to the Government of British East Africa and

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya
Bombay	Chittagong	Zanzibar
Madras	Harbin	Mombasa
Kanpur	Manila	Nairobi
Cawnpore	Aden	Nokora
Lahore	Aden Point	Kisumu
Amritsar	Colombo	Entebbe
Delhi	Kandy	Kampala
Tatooine		Uganda
		Junja

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS: Bank of England, National Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

LONDON AND BRAZILIAN BANK, LIMITED.

7 Tokenhouse Yard, E.C.

SUBSCRIBED CAPITAL, 125,000

Shares of £20 each ... £2,500,000

PAID-UP CAPITAL ... 1,250,000

RESERVE FUND ... 1,400,000

Branches in Brazil at Rio de Janeiro, Para, Ceara, Manaus, Pernambuco, Bahia, Santos, Sao Paulo, Curitiba, Rio Grande do Sul, Porto Alegre, River Plate, Buenos Ayres, Rosario, and Montevideo.

United States.—New York (Agency). France.—Paris (6 Rue Scribe). Portugal.—Lisbon and Oporto.

Agents or Correspondents in all the principal cities of Brazil, Uruguay, Argentina, the United States and Europe.

Drafts, Letters of Credit, and Cable Transfers issued on Branches and Agents. Bills of Exchange negotiated or sent or collection, and every description of Banking business undertaken.

THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which are incorporated the Bank of Africa, Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South Africa and the Transvaal, Natal and Orange Free State.

Bankers to the Imperial Government in South Africa.

LONDON OFFICES—Circus Place, London Wall, E.C., and 117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

# The Statist,

A Journal of Practical Finance and Trade.

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PRICE 6d.,  
POST FREE 6d. (U.K.)

## SALES BY AUCTION.

### JOHN HOARE AND CO.

will Offer for SALE by PUBLIC AUCTION at the WOOL EXCHANGE Coleman Street, F.C., on Saturday 11th September, Monday, 20th September, and Tuesday, 28th September, 9,200 Bales AUSTRALASIAN WOOL  
5,000 „ PUNTA ARENAS WOOL  
500 „ FALKLAND ISLANDS WOOL  
800 „ ENGLISH WOOL.

Catalogues in due course of JOHN HOARE and CO., 73 Basinghall Street, London, E.C.

### JACOMB, SON and CO. will

OFFER by AUCTION at the WOOL EXCHANGE, Coleman Street, E.C., on Thursday, 9th, Saturday, 18th, Friday, 24th, and Thursday, 30th September,

WOOL—17,000 BALES COLONIAL.

Catalogues and further particulars of the Brokers, Moorgate House, 61 Moorgate Street, E.C.

### BANCO DE CHILE.

London Agency—

94 GRACECHURCH STREET, E.C.

Chilian Dollars.  
Paid-up Capital ... .. \$40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

### THE RUSSO-ASIATIC BANK.

Incorporated by Imperial Russian Government Decree.

Capital Authorised Rbils. 55,000,000  
Do. Subscribed Rbils. 45,000,000 say £4,745,000  
Do. Subscribed by the Imperial Chinese Government) Kouping Tael 3,500,000 say £520,000  
Reserve Funds Rbils. 23,600,000—say £2,500,000  
£7,765,000

HEAD OFFICE: AT PETROGRAD.

Branches at all the principal Towns in Russia, Manchuria, Siberia, Central Asia and China; also at Paris, Bombay, Calcutta, Hongkong and Yokohama.

Interest (paid quarterly) allowed on Fixed Deposit Accounts for one year and over at 4 per cent. per annum; for shorter periods, and on current accounts, at rates to be learnt on application.

Banking business transacted of every description.

CHANTREY INCHBALD, London Manager.  
64 Old Broad Street,  
London, E.C.

### HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up  
RESERVE FUNDS ... .. \$15,000,000  
STERLING RESERVE, held in London at Exchange of 2s. per \$ = £1,500,000 Sterling, invested in Consols and other Sterling Securities ... .. \$15,000,000  
SILVER RESERVE ... .. 18,000,000  
\$33,000,000

RESERVE LIABILITY OF PROPRIETORS ... .. \$15,000,000  
COURT OF DIRECTORS and HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, } Managers  
H. D. C. JONES, } in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.  
9 Gracechurch Street, London, E.C.

### THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410

Petrograd, Moscow, Paris.

And over 100 Branches in Russia.

London Offices:

24 28 LOMBARD STREET, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Current Accounts opened and deposits received on terms which may be ascertained on application.

### COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.

London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

### STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100

PAID-UP CAPITAL ... .. £1,548,525

RESERVE FUND ... .. 2,000,000

UNCALLED CAPITAL ... .. 4,645,575

£8,194,100

BOARD OF DIRECTORS—

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Sir David Miller Barbour,

K.C.S.I., K.C.M.G.

Robert E. Dickinson, Esq.

James Fairbairn Finlay,

Esq., C.S.I.

Horace Peel, Esq.

William Smart, Esq.

Right Hon. Lord

Sydenham, G.C.S.I.,

G.C.M.G., G.C.I.E.

Rt. Hon. Lord Welby,

P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE,

LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 220 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

### BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place, Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Consolo.

A. Rossi.

Sub-Managers { R. B. Handley.

G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANÇAISE et ITALIENNE POUR L'AMERIQUE DU SUD, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and

SOCIETÀ COMMERCIALE D'ORIENTE, Milan and Tripoli.

Agents and Correspondents in all parts of the world.

### LONDON BANK of AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital ... .. £1,276,747 10 0

Paid-up Capital ... .. 669,587 10 0

Reserve Fund and Undivided

Profits ... .. 328,317 13 0

Reserve Liability of Proprietors 607,160 0 0

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

### BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... .. £P.500,000

Reserve Fund ... .. £P.300,000

BRANCHES IN:

Piura, Callao, Mollendo,  
Chiclayo, Cerro de Pasco, Arequipa,  
Pacasmayo, Chincha Alta, Curco,  
Trujillo, Ica, Iquitos,  
Huaras, Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.

Subscribed Capital ... .. Yen 48,000,000

Capital Paid up ... .. 30,000,000

Reserve Fund ... .. 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien Liao Yang Peking  
Bombay London Ryojun (Port  
Calcutta Los Angeles Arthur)  
Changchun Lyons San Francisco  
Dairen (Dalny) Fengtien Shanghai  
Hankow (Mukden) Sydney  
Harbin Nagasaki Tientsin  
Hong Kong Newchwang  
Honolulu New York  
Kobe Osaka Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business. Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—  
7 Bishopsgate, E.C.

**CHARTERED BANK of INDIA,**  
AUSTRALIA AND CHINA.

28 Bishopsgate, London, E.C.

Incorporated by Royal Charter.

Capital, £1,200,000. Reserve Fund, £1,500,000.

## Court of Directors.

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 Sir Henry Stewart Cunningham, K.C.I.E.  
 Thomas Cuthbertson, Esq.  
 Sir Alfred Dent, K.C.M.G.  
 William Henry Neville Goslen, Esq.  
 The Rt. Hon. Lord George Hamilton, G.C.S.I.  
 William Foot Mitchell, Esq.  
 Lewis Alexander Wallace, Esq.  
 Managers, T. H. Whitehead and T. Fraser.  
 Sub-Manager, W. E. Preston.

**BANKERS.**—The Bank of England; The London City and Midland Bank, Limited; The London County and Westminster Bank, Limited; The National Provincial Bank of England, Limited; The National Bank of Scotland, Limited.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts, and Transact General Banking business connected with the East.

Deposits of money are received for fixed periods on terms which may be ascertained on application; interest payable half-yearly, 30th June and 31st December.

**THE ANGLO-EGYPTIAN BANK, LIMITED.**

SUBSCRIBED CAPITAL ... £1,500,000.

PAID UP, £500,000. RESERVE FUND, £680,000.

**BRANCHES:** Alexandria, Cairo, Beni-Suef, Mansourah, Port Said, Tanta, Zagazig, Khartoum, Malta, Gibraltar, Paris.

**BANKERS:** The Bank of England. The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.

Deposits received for one year at  $4\frac{1}{2}$  per cent per annum.

On current accounts, Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clement's Lane, Lombard Street, E.C.

**THE LONDON AND RIVER PLATE BANK (Limited).**

Established 1862.

Authorised Capital ... £4,000,000  
 Paid-up Capital ... 1,800,000  
 Reserve Fund ... 2,000,000

**BRANCHES.**

**ARGENTINE.**—Buenos Aires, Rosario, Mendoza, Concordia, Bahia Blanca, Cordoba, Tucuman, Parana, Barracas (Buenos Aires), Once (Buenos Aires), Boca (Buenos Aires), Calle Sante Fe (Buenos Aires), Calle B de Irigoyen (Buenos Aires).

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**BRAZIL.**—Rio de Janeiro, Sao Paulo, Santos, Pernambuco, Para, Bahia, Victoria, Curitiba, Manaus (Agency).

**CHILE.**—Valparaiso.

**FRANCE.**—Paris (16 Rue Halévy).

**BELGIUM.**—Antwerp (22 Place de Meir).

Agency in New York and Agents throughout the World.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

7 Princes Street, E.C.

**NATIONAL BANK OF EGYPT.**

(Established by Khedival Decree, June 1898, with the exclusive right to issue Notes payable at sight to bearer.)

Capital, £3,000,000 (in 300,000 Shares of £10 each, fully paid). Reserve Fund, £1,500,000.

Governor—F. T. Rowlatt, Esq. Head Office—Cairo.

London Committee—

E. W. P. Foster, C.M.G. Hon. Algernon Mills.

Hon. Hugo Baring. Sir Carl Meyer, Bart.

Hon. Sidney Peel.

LONDON AGENCY—

6 & 7 KING WILLIAM STREET, LONDON, E.C.

Manager—J. T. Beaty-Pownall.

Assistant Manager—A. P. Gillbee.

Accounts opened with traders and private persons.

Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria, Assiout, Assuan, Benha, Beni-Suef, Chibin-El-Kom, Damanhur, Fayoum, Kench, Luxor, Mansourah, Minieh, Mousky (Cairo), Port Said, Sohag, Tanta, and Zagazig; and in the Sudan at Khartoum, Port Sudan, and Suakin.

**UNION BANK OF CANADA.**  
Incorporated 1865. Head Office, WINNIPEG.

Paid-up Capital ... \$5,000,000  
 Rest and Undivided Profits ... 3,600,000  
 Total Assets over ... \$8,000,000

The Bank has over 300 Branches in CANADA and Agents in the principal Cities in AMERICA.

LONDON COMMITTEE: J. Leigh Wood, Esq., C.M.G.; Hon. Sidney Peel; F. W. Ashe, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to

LONDON OFFICES: 16 PRINCES STREET, E.C.  
 126 HAYMARKET, S.W.

**ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).**

Head Office: 38 Lombard Street, E.C.

Subscribed Capital ... £1,078,875 0 0  
 Paid-up Capital ... 539,437 10 0  
 Further Liability of Proprietors ... 539,437 10 0  
 Reserve Fund ... 350,000 0 0

**LETTERS OF CREDIT AND DRAFTS** on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.

**REMITTANCES** made by TELEGRAPHIC TRANSFER, BILLS NEGOTIATED or forwarded for COLLECTION, BANKING and EXCHANGE business of every description transacted with Australia  
 E. M. JANTON, Manager.

**NATIONAL TRUST COMPANY, LTD.**

HEAD OFFICE: TORONTO, CANADA.

BRANCHES: Montreal, Winnipeg, Regina, Saskatoon, Edmonton.

Paid-up Capital - \$1,500,000.  
 Reserve Fund - \$1,500,000.

Acts as Executor and Trustee and, as Agent for clients and corporations, invests funds in carefully selected First Mortgages on farms and improved city properties in Canada—Exceptional facilities offered for investing British Capital—Also Guaranteed Trust Investments.

Correspondence invited

28 Bishopsgate, A. L. NUNNS,  
 London, E.C. London Representative.

References:—  
 Bank of Scotland. Canadian Bank of Commerce.

**THE FINANCIAL POST OF CANADA,**

"The Canadian Newspaper for Investors,"

is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

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will give reliable and unbiased advice by mail on any matter of investment interest free to subscribers.

Send 2 penny stamps for Specimen Copy.

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FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

BRITISH OFFICE—88 FLEET STREET, LONDON, E.C.

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 RESERVE FUND, £900,000.

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GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

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DUGALD SMITH, Assistant Manager.

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The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.

## THE UNION OF LONDON AND SMITHS BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at the Head Office and Metropolitan Branches on Deposits repayable at seven days' notice will be Three and a half per Cent. per annum from this date until further notice, when it will be given by advertisement only.

H. H. HART, Manager (London Office).  
L. B. THOMAS, Manager (Metropolitan Office).  
No. 2 Princes Street, E.C.  
September 2, 1915.

## BRITISH LINEN BANK (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day raised to 3½ per Cent. per annum.

JAMES LITTLE, Manager.  
Threadneedle Street, London, E.C.:  
September 2, 1915.

## LONDON & SOUTH-WESTERN BANK, LIMITED.

Head Office, 170 Fenchurch Street, E.C.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and Metropolitan Branches of this Bank on Deposits repayable at seven days' notice is this day raised to 3½ per Cent. per annum.

H. H. HAMBLING, General Manager.  
September 2, 1915.

## BANK OF SCOTLAND (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. until further notice by advertisement.

WILLIAM SMITH, Manager.  
No. 30 Bishopsgate, E.C.:  
September 2, 1915.

## THE LONDON JOINT STOCK BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed at the Head Office and London Branches of this Bank on Deposits subject to seven days' notice of withdrawal is this day advanced to 3½ per Cent. per annum.

CHARLES G. W. GIBSON, Manager.  
5 Princes Street, Manchester, E.C.:  
September 2, 1915.

## THE COMMERCIAL BANK OF SCOTLAND, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. until further notice by advertisement.

GEO. S. COULTER, Manager.  
No. 62 Lombard Street, London, E.C.:  
September 2, 1915.

## PARR'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office and Metropolitan Branches on Deposits at seven days' notice is 3½ per Cent. per annum until further notice.

JOHN STEWART, Joint General Manager.  
JOHN BARR, Manager.  
Bartholomew Lane, E.C.:  
September 2, 1915.

## LONDON COUNTY AND WESTMINSTER BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the Interest allowed to Depositors of this Bank is raised to the following Rates, viz.:

On Deposits subject to seven days' notice 3½ per Cent., and on Deposits at Call 3 per Cent. until further notice.

F. J. BARTHORPE, Head Office Manager.  
No. 41 Lothbury, E.C.:  
September 2, 1915.

## NATIONAL PROVINCIAL BANK (LONDON AND MANCHESTER).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank at the Head Office, Bishopsgate, and London Branches, is this day raised to 3½ per Cent. for money placed on Deposit at seven days' notice.

T. STALL, Joint General Manager.  
D. H. GUNNAR, Manager.  
L. FLEY, Manager.  
No. 15 Bishopsgate, London, E.C.:  
September 2, 1915.

## THE LONDON CITY AND MIDLAND BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at seven days' call at the Head Office and London Branches is raised to 3½ per Cent. until further notice.

J. M. MADDERS, Joint General Manager.  
S. B. MURRAY, Joint General Manager.  
F. HYDE, Manager.  
E. W. WOOLLEY, Manager.  
No. 5 Threadneedle Street, E.C.:  
September 2, 1915.

## THE NATIONAL BANK OF SCOTLAND, LIMITED.

Head Office, 100, Queen Street, Glasgow.  
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. per annum for money at seven days' notice.

J. FERGUSON, Manager.  
September 2, 1915.

## LLOYDS BANK LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank upon Deposits at its Metropolitan Branches is raised to 3½ per Cent. for money at seven days' notice.

HENRY BELL, General Manager.  
No. 71 Lombard Street:  
September 2, 1915.

## THE UNION BANK OF SCOTLAND, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits with the Union Bank of Scotland, Limited, at this Office will be 3½ per Cent. per annum from this day until further notice.

GEO. J. SCOTT, Manager.  
London Office, 62 Cornhill, E.C.:  
September 2, 1915.

## THE CLYDESDALE BANK, LIMITED (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. per annum until further notice.

DAVID YOUNG, Manager.  
30 Lombard Street, London, E.C.:  
September 2, 1915.

## MARTIN'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest on Deposits with the Head Office of this Bank subject to seven days' notice will be 3½ per Cent. per annum from this date until further notice.

G. BROMLEY MARTIN, Managing Director.  
No. 68 Lombard Street, E.C.:  
September 2, 1915.

## THE CAPITAL AND COUNTIES BANK, LIMITED.

NOTICE IS HEREBY GIVEN that at the Head Office and Metropolitan Branches the RATE of INTEREST allowed on DEPOSITS REPAYABLE ON SEVEN DAYS' NOTICE is this day raised to Three-and-a-half per Cent. per annum.

G. A. HARVEY, Joint General Manager.  
E. D. VAISEY, Manager.  
No. 39 Threadneedle Street, E.C.:  
September 2, 1915.

## ROYAL BANK OF SCOTLAND (London Office).

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposit Accounts at this Office will be 3½ per Cent. until further notice.

W. WALLACE, Manager.  
No. 3 Bishopsgate, E.C.:  
September 2, 1915.

## WILLIAMS DEACON'S BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Rate of Interest allowed by this Bank on Deposits at seven days' notice at this Office and Metropolitan Branches will be 3½ per Cent. per annum from this date until further notice.

JOHN J. MEAGHER, Manager.  
20 Birch Lane, E.C.:  
September 2, 1915.

## NORFOLK AND WESTERN RAILWAY COMPANY.

NOTICE IS HEREBY GIVEN that the Dividend of One and One-half Per Cent. upon the Common Stock of the Company, payable at the Office of the Company, Commercial Trust Building, Philadelphia, Pa., September 18, 1915, to the Common Stockholders as recorded in the books of the Company, will be paid on Friday, October 15th, 1915, at 10 o'clock A.M. Friday, October 15th, 1915.

By Order of the Board of Directors,  
F. H. ALDEN, Secretary.

## NORFOLK AND WESTERN RAILWAY COMPANY.

NOTICE IS HEREBY GIVEN that the Dividend of One and One-half Per Cent. upon the Common Stock of the Company, payable at the Office of the Company, Commercial Trust Building, Philadelphia, Pa., September 18, 1915, to the Common Stockholders as recorded in the books of the Company, will be paid on Friday, October 15th, 1915, at 10 o'clock A.M. Friday, October 15th, 1915.

By Order of the Board of Directors,  
F. H. ALDEN, Secretary.

## BOLCKOW, VAUGHAN & CO., LIMITED.

Head Office, 100, Queen Street, Glasgow.  
NOTICE IS HEREBY GIVEN that the Rate of Interest allowed on Deposits at this Office will be 3½ per Cent. per annum for money at seven days' notice.

A. READ, Secretary.  
September 1st, 1915.

## JONES AND HIGGINS, LTD.

NOTICE IS HEREBY GIVEN that the Ordinary and Preference Share Transfer Books will be closed from 20th to 30th inst., both days inclusive.

By Order of the Board,  
P. G. STANNARD, Secretary.  
4th September, 1915.

## JAMES W. COOK & CO., LTD.

NOTICE IS HEREBY GIVEN that the Ordinary and Preference Share Transfer Books will be closed from 20th to 30th inst., both days inclusive.

ERNEST G. DEVITT, Secretary.  
130 5, Minor, E.C.:  
2nd September, 1915.

## GREAT NORTHERN RAILWAY COMPANY (LONDON & NORTH).

NOTICE IS HEREBY GIVEN that the Ordinary and Preference Share Transfer Books will be closed from 20th to 30th inst., both days inclusive.

JOHN W. BULL, Secretary.  
No. 1, Strand, N.Y.C.:  
September 1, 1915.

## CANADIAN GENERAL ELECTRIC COMPANY, LIMITED.

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JOHN W. BULL, Secretary.  
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way under the control of the Committee.

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such a form as will provide that the words "Member  
of the Stock Exchange, London," shall immediately  
follow the signature.

A List of Members of the Stock Exchange who are  
Stock and Share Brokers may be seen at the Bartholo-  
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Manager of the Fire, Life and Accident Departments—JAMES CLUNES, Esq.

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Assets - £3,000,000
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The Britannic War Bonus Policy is designed specially to meet present conditions, and provides for old and new widows and orphans in case of death. Premiums payable for 12 months only.

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All Editorial communications should be addressed to the Editor.

Business communications should be addressed to the Manager,

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# The Statist.

LONDON, SATURDAY, SEPTEMBER 4, 1915.

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# The Money Market.

Friday Evening, September 3, 1915.

# Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	BANKS. NOTICE.	DEPOSIT RATES.—DISCOUNT RATES.—CALL.	HOUSES.—NOTICE.
Sept. 2, 1915 ...	—	3½	—	—
July 22, " ...	—	3	3½	3½
April 8, " ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	5	—	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

Head Office and Metropolitan Branches only.

# Treasury Bills:—

3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price ... £98 17s. 6½d.	£97 15s. 1½d.	£98 12s. 5½d.	£95 10s.
Discount Rate 4½ %	4½ %	4½ %	4½ %

# Discount Rates:—

60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills ... 4½ %	4½ %	4½-5	5-½
Trade Bills ... 5½ %	5½ %	5½-6	6½ %

# MONEY.

THE sudden break in the American exchange this week to 4.50 for sight drafts would in normal times have caused a great disturbance of the London Money market, as everyone would have realised that such a fall would necessarily bring about an advance in the

Bank-rate to a maximum figure. But in these days, when everything is changed, and when it is recognised that an advance in the Bank-rate would have no effect whatever upon the exchanges, the fall has had no influence upon the value of money. This is due to the general recognition that the adverse American exchange arises from the simple fact that the country has bought a larger quantity of American goods than its cash resources enabled it to pay for without special measures, and that the only true remedy for the existing situation is to be found in gold shipments, in sales of securities, in the creation of a credit in the United States, or in economies in expenditure, and that in the circumstances that now exist the question of whether or not the Bank of England rate is at 5, 6 or 7 per cent is of no real importance. We refer elsewhere to the fall and recovery in the exchange, and all that we need say here is that the heavy sales of American securities by British holders in consequence of the substantial bonus offered by the discount of the sovereign have already caused the exchange to recover from a discount of nearly 8 per cent. to a discount of not much over 3 per cent.

The sales of securities have been supplemented by the shipment of nearly £2,000,000 of gold from the Bank of England, and doubtless if additional shipments of gold are needed to supplement securities the gold will be sent. Still it is evident that low rates of interest for money at the present time are not desirable. It is, indeed, essential that no one should engage in any capital expenditure that is likely to be unproductive for any considerable period, and inasmuch as cheap banking money does foster the expenditure of capital by private persons for purposes that are not immediately productive, money ought not to be cheap.

Consequently a lower Bank-rate than 5 per cent. is not desirable, and we are not altogether convinced that a higher Bank-rate ought not to be introduced in order to check not absolutely necessary capital expenditures. It must now be clearly evident to everyone that the country is spending a larger sum of money than it can provide out of its own income, and that to supply the means of meeting the existing enormous war expenditures and granting loans to Allies it is essential for everyone to become as economical as possible without further delay.

The supply of banking money this week has been abundant, but there is general agreement among the joint-stock banks not to make short loans at less than 4½%. However, this agreement has not prevented foreign bankers from employing their balances at a lower rate, and consequently the quotation for day-to-day loans now ranges from 4½% to 3½%. For fixtures the quotation is 4½% to 4½%. The supply of bills is not plentiful, and bankers have some difficulty in replenishing their portfolios. Hence the rate for three months' bills has now fallen to 4½%, four months' are quoted 4½% to 5%. The rate for six months' drafts is fairly firm, however, at 5% to 5¼%. The desirability of attracting as much money as possible to the London market and of maintaining bankers' balances has induced the joint-stock banks this week to raise their rates for deposits from 3% to 3½%, so that the banks have now restored the old practice of fixing their deposit rates at 1½% under Bank-rate.

#### BANK OF ENGLAND.

An expansion of £610,000 occurred in the Bank's reserve this week, bringing the aggregate amount held to £51,558,000. There was a net loss of £1,132,000 of gold, of which £297,000 was from abroad and £835,000 came from the provinces. On the other hand, the note circulation expanded £522,000. The stock of gold is now £68,433,000. Notwithstanding the fairly heavy payments on Government account last week there was an addition of £3,881,000 to the public deposits, bringing the total to £137,963,000.

The "other" deposits were reduced £1,543,000, and the "other" securities increased £2,968,000. The Government securities showed a decline of £1,237,000. The repayment of Treasury bills last week was offset by the issue of additional bills, and on balance there was only a very small reduction in the Treasury bills in issue. The proportion of reserve to liabilities is slightly higher at 24.15 per cent.

#### MONEY IN NEW YORK.

The supply of money in New York is enormous, and the gold that is now being sent to that city may be likened to the proverbial despatch of coal to Newcastle. The rate for day-to-day loans is less than 2%, while time money is also abundant at relatively low rates. Last week there was an addition of £2,000,000 to the reserves of the Associated Banks and trust companies. On the other hand, their loans also increased £2,700,000, and their deposits as much as £6,000,000. Nevertheless, the increase in surplus was nearly £1,700,000, bringing the aggregate to £18,830,000. We refer elsewhere to the fall and recovery in the American exchange.

Rates for prime commercial paper and for call loans in New York are as follows:

Sept. 2, 1915 ...	Prime paper ...	3½-3¾	Call money ...	1½%
Sept. 3, 1914 ...	" " ...	6½-7%	" " ...	9-9½%

#### POSITION IN INDIA.

The dull season in India has now passed, and the demand for exchange is recovering, with the result that this week the rate for telegraphic transfers has risen to 1s. 3½d. Furthermore, the Council had no difficulty in selling the 10 lacs of Council drafts offered this week, and sold 4 lacs of immediate transfers on Madras at 1s. 4d. The total applications reached over 30 lacs. The amount to be offered for tender next week has been raised to 20 lacs.

The following are the minimum Rates of Discount current in India:—

Bombay ...	5 per cent. (June 2, '15)	Bengal ...	5 per cent. (June 4, '15)
------------	---------------------------	------------	---------------------------

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 1, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
s. d.	Rs.	Rs.	%	s. d.	Rs.	Rs.	%
1 3½	20,000	—	—	1 3½	10,00,000*	2,00,000	20
—	—	—	—	1 4	5,00,000	5,00,000	100
—	—	—	—	1 3½	15,00,000	3,60,000	20
Total ...	20,000	—	—	Total ...	30,00,000	10,60,000	—

Deferred.

	Offered.	Tendered.	Accepted.
Grand Total ...	Rs. 10,00,000	Rs. 30,20,000	Rs. 10,00,000

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

Telegraphic Transfers.			
	Rs.	Average	Minimum
Calcutta ...	2,00,000*	1 3.937	1 3½
Madras ...	4,00,000	1 3.976	1 3½
Deferred.	4,00,000	1 4	1 3½

The following Special Sales have since been made:—

Bills on Madras ...	Rs.	At
...	25,000	1/3½

From April 1 to August 31 inclusive the Council have granted remittances for Rs. 2,97,18,983, realising £1,978,694. Up to September 1 of last financial year the total Bills and Transfers sold was Rs. 5,36,88,332, realising £3,583,170. The total sales for the week ended August 31 amounted to Rs. 20,15,029, realising £134,138. The amount to be offered for tender next Wednesday will be increased to 20 lacs.

#### SILVER.

The fall in the American exchange to a discount of nearly 8 per cent. had a strengthening effect upon the silver market, and the spot price has now risen to 23½d., although the exchange has recovered to a discount of 3 per cent. The discount in the American exchange has curtailed shipments of silver from that country, and as there is a good demand for silver for the Continent the price has risen. India is not willing to pay the higher prices, and China is disposed to sell.

	Aug. 27	28	30	31	Sept. 1	2	3
London ...	25½	22½	23	23	23½	23½	23½
India ...	Rs. 59½	59½	59½	59½	59½	59½	59½
Exchange	1/3	1/3½	1 3½	1 3½	1 3½	1 3½	1 3½

# Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

Settlement Days	TICKET DAY.	PAY DAY.	CONSOL.
	Thurs., Sept. 9 Tues., Sept. 28	Fri., Sept. 10 Wed., Sept. 29	Fri., Oct. 1 —

THERE has been no great change in the tone of markets, the condition of which may be described as quietly hopeful. Two factors are responsible for this situation. One is that the Russian army continues its successful withdrawal into the interior of Russia, and the belief thus created that every day that passes is bringing the Russian and German armies nearer to an equilibrium of strength. The effect of the invasion of Russia by the German army has been to accelerate the work of preparing the armies of all the Allies for greater effort, and it is evident that munitions and equipment of war are now being turned out in all the Allied countries with a degree of rapidity which cannot fail to bring success to their armies in the not distant future. The ability of the Russian army to withdraw successfully from a disadvantageous position, and the progress that is being made to provide all the Allies with the arms and equipment they need certainly seems to justify the confidence that is entertained in the military situation.

The second factor of importance has been the power of United States investors and bankers to absorb the great quantities of American securities sold this week by British investors for the purpose of paying for the large amount of goods bought in the United States, and at the same time rectifying the American exchange. A little over a week ago the American exchange was at 4 65, and from this rate it fell rapidly to 4 50 on Wednesday. The heavy selling of securities which then occurred, and the gold shipments from the Bank of England, since announced, of nearly £2,000,000, have now caused the exchange to recover to 4 71. No one can doubt the power of the United States to purchase the securities that may be sold from this side, and notwithstanding the bonus which the discount in exchange offers to investors to sell their American securities, it is probable that the demand for bonds and stocks in America will be quite equal to, if not in excess of, the supply.

We would again point out to holders of American securities that the present low exchange offers them an opportunity of disposing of their holdings at a substantial bonus, and that if they sell their bonds as opportunity offers in the States they will not only make a profit on the transaction in consequence of the bonus given by the exchange, but they will also enable this country to pay for the great quantity of goods now being purchased from the United States. Exactly how many securities ought to be sold from week to week in order to provide the necessary exchange is not known and cannot be ascertained, but it is evident that the amount is considerable, and we would suggest to our readers that they should acquaint their bankers or their stockbrokers with the amounts of securities they are willing to sell, and give them authority to dispose of them as opportunity offers and as the exchange situation demands. Of course it would be unwise to force stocks upon an unwilling market, but the volume of American purchases this week indicates clearly that the market is not an unwilling one, and that the American public is anxious to purchase all the securities British investors are disposed to sell.

Probably another factor which is causing the market to display a disposition of quiet confidence is

the expectation that the Dardanelles will shortly be reopened to commerce. With regard to this matter, however, so much time has been occupied already that one is disposed to be sceptical. Still, the progress which the Allied troops are making seems to warrant a greater measure of optimism than has hitherto been possible.

Another matter which should give confidence to the market is the fact that Parliament will meet in a little over a week, and that the Budget statement is expected to be made in about three weeks. The Chancellor of the Exchequer is expected to deal with the finances of the country in a comprehensive manner, and if he induces everyone to become more economical, and at the same time more productive, and thus permanently readjusts the adverse balance of trade, the present confidence as to the future will be further strengthened. No one doubts the power of this country to meet any expenditure it may incur, but most people realise that the expenditures cannot be made except upon sound lines. The country must keep down its domestic outlays to a level that will enable its war expenditures to be met without straining its financial resources

		Int. or Div.	Price, July 27, 1914	1915.		A Week Ago	Cur. rent	+ or - Price Week
			21 <sup>4</sup>	72 <sup>1</sup>	High.	Low.		
Consols 2 <sup>1</sup> / <sub>2</sub> ... ..	...	...	21 <sup>4</sup>	72 <sup>1</sup>	68 <sup>1</sup> / <sub>2</sub>	65	65	...
War Loan (1925-28) ...	...	3 <sup>1</sup> / <sub>2</sub>	—	—	95 <sup>1</sup> / <sub>2</sub>	91 <sup>1</sup> / <sub>2</sub>	92 <sup>1</sup> / <sub>2</sub>	92 <sup>1</sup> / <sub>2</sub> + <sup>1</sup> / <sub>2</sub>
" " (1925-45) ... ..	...	4 <sup>1</sup> / <sub>2</sub>	—	—	—	—	97 <sup>1</sup> / <sub>2</sub>	98 <sup>1</sup> / <sub>2</sub> + <sup>1</sup> / <sub>2</sub>
" " " x. rights 4 <sup>1</sup> / <sub>2</sub>	...	4 <sup>1</sup> / <sub>2</sub>	—	—	—	—	97 <sup>1</sup> / <sub>2</sub>	97 <sup>1</sup> / <sub>2</sub> + <sup>1</sup> / <sub>2</sub>
Arg. 6% Treas. Bds. (1920)	...	6	—	—	97	96	96 <sup>1</sup> / <sub>2</sub>	96 <sup>1</sup> / <sub>2</sub> + <sup>1</sup> / <sub>2</sub>
Austrian Gold 1876 ...	...	4	82 <sup>1</sup> / <sub>2</sub>	64	51 <sup>1</sup> / <sub>2</sub>	64	64	...
Brazil New Funding ...	...	5	—	80	88	69	69	...
French 3% Rentes ... ..	...	3	77 <sup>1</sup> / <sub>2</sub>	68 <sup>1</sup> / <sub>2</sub>	62 <sup>1</sup> / <sub>2</sub>	63	63	...
German 3% ... ..	...	3	74	58 <sup>1</sup> / <sub>2</sub>	47 <sup>1</sup> / <sub>2</sub>	53 <sup>1</sup> / <sub>2</sub>	54	+ <sup>1</sup> / <sub>2</sub>
Hungarian Rentes ... ..	...	4	74 <sup>1</sup> / <sub>2</sub>	48 <sup>1</sup> / <sub>2</sub>	48 <sup>1</sup> / <sub>2</sub>	48 <sup>1</sup> / <sub>2</sub>	48 <sup>1</sup> / <sub>2</sub>	+ <sup>1</sup> / <sub>2</sub>
Italian 3 <sup>1</sup> / <sub>2</sub> % ... ..	...	3 <sup>1</sup> / <sub>2</sub>	94	79 <sup>1</sup> / <sub>2</sub>	66 <sup>1</sup> / <sub>2</sub>	67	69	+ 2
Japan 4 <sup>1</sup> / <sub>2</sub> % 1st Ser. ...	...	4 <sup>1</sup> / <sub>2</sub>	93	91 <sup>1</sup> / <sub>2</sub>	83	85 <sup>1</sup> / <sub>2</sub>	86	+ <sup>1</sup> / <sub>2</sub>
Russian 4 <sup>1</sup> / <sub>2</sub> % 1909 ... ..	...	4 <sup>1</sup> / <sub>2</sub>	94	90 <sup>1</sup> / <sub>2</sub>	73 <sup>1</sup> / <sub>2</sub>	73 <sup>1</sup> / <sub>2</sub>	74	+ <sup>1</sup> / <sub>2</sub>
Caledonian Deferred ...	...	<sup>1</sup> / <sub>2</sub>	13 <sup>1</sup> / <sub>2</sub>	12 <sup>1</sup> / <sub>2</sub>	8 <sup>1</sup> / <sub>2</sub>	8 <sup>1</sup> / <sub>2</sub>	8 <sup>1</sup> / <sub>2</sub>	— <sup>1</sup> / <sub>2</sub>
Gt. Northern Deferred ...	...	2 <sup>1</sup> / <sub>2</sub>	48 <sup>1</sup> / <sub>2</sub>	46 <sup>1</sup> / <sub>2</sub>	37 <sup>1</sup> / <sub>2</sub>	38 <sup>1</sup> / <sub>2</sub>	39	+ <sup>1</sup> / <sub>2</sub>
Gt. Western ... ..	...	5 <sup>1</sup> / <sub>2</sub>	113 <sup>1</sup> / <sub>2</sub>	111 <sup>1</sup> / <sub>2</sub>	95	96 <sup>1</sup> / <sub>2</sub>	96 <sup>1</sup> / <sub>2</sub>	+ <sup>1</sup> / <sub>2</sub>
L. & N. Western ... ..	...	6	125 <sup>1</sup> / <sub>2</sub>	122 <sup>1</sup> / <sub>2</sub>	99 <sup>1</sup> / <sub>2</sub>	101 <sup>1</sup> / <sub>2</sub>	102	+ <sup>1</sup> / <sub>2</sub>
L., Brighton, & S.O. Def. ...	...	3 <sup>1</sup> / <sub>2</sub>	76 <sup>1</sup> / <sub>2</sub>	70 <sup>1</sup> / <sub>2</sub>	50 <sup>1</sup> / <sub>2</sub>	52 <sup>1</sup> / <sub>2</sub>	52 <sup>1</sup> / <sub>2</sub>	— <sup>1</sup> / <sub>2</sub>
Midland Deferred ... ..	...	<sup>1</sup> / <sub>2</sub>	88 <sup>1</sup> / <sub>2</sub>	67 <sup>1</sup> / <sub>2</sub>	57 <sup>1</sup> / <sub>2</sub>	58	58 <sup>1</sup> / <sub>2</sub>	+ <sup>1</sup> / <sub>2</sub>
N. Eastern ... ..	...	6 <sup>1</sup> / <sub>2</sub>	120 <sup>1</sup> / <sub>2</sub>	119 <sup>1</sup> / <sub>2</sub>	103	104	103 <sup>1</sup> / <sub>2</sub>	— <sup>1</sup> / <sub>2</sub>
S. Eastern Deferred ... ..	...	1	37 <sup>1</sup> / <sub>2</sub>	34 <sup>1</sup> / <sub>2</sub>	22	22	22	...
Underground Incomes ...	...	6	88	84	68 <sup>1</sup> / <sub>2</sub>	74	70 <sup>1</sup> / <sub>2</sub>	+ 2
Canadian Pacific ... ..	...	10	179	177 <sup>1</sup> / <sub>2</sub>	145 <sup>1</sup> / <sub>2</sub>	161 <sup>1</sup> / <sub>2</sub>	160	— 1 <sup>1</sup> / <sub>2</sub>
Canadian Northern 5% Conv. nil	...	80 <sup>1</sup> / <sub>2</sub>	70 <sup>1</sup> / <sub>2</sub>	45	49 <sup>1</sup> / <sub>2</sub>	47	— 2 <sup>1</sup> / <sub>2</sub>	
Grand Trunk 4% Guar. ...	...	3 <sup>1</sup> / <sub>2</sub>	80	75 <sup>1</sup> / <sub>2</sub>	47 <sup>1</sup> / <sub>2</sub>	54 <sup>1</sup> / <sub>2</sub>	56 <sup>1</sup> / <sub>2</sub>	+ 2 <sup>1</sup> / <sub>2</sub>
Atchison ... ..	...	8	97	109 <sup>1</sup> / <sub>2</sub>	95 <sup>1</sup> / <sub>2</sub>	109 <sup>1</sup> / <sub>2</sub>	106 <sup>1</sup> / <sub>2</sub>	+ 1 <sup>1</sup> / <sub>2</sub>
Baltimore & Ohio ... ..	...	5	79	88 <sup>1</sup> / <sub>2</sub>	81	87 <sup>1</sup> / <sub>2</sub>	86 <sup>1</sup> / <sub>2</sub>	— 1
Erie ... ..	...	nil	24	31 <sup>1</sup> / <sub>2</sub>	23	30 <sup>1</sup> / <sub>2</sub>	29 <sup>1</sup> / <sub>2</sub>	— <sup>1</sup> / <sub>2</sub>
Pennsylvania \$50 ... ..	...	6	55 <sup>1</sup> / <sub>2</sub>	58	53 <sup>1</sup> / <sub>2</sub>	57 <sup>1</sup> / <sub>2</sub>	57 <sup>1</sup> / <sub>2</sub>	— <sup>1</sup> / <sub>2</sub>
Southern Pacific ... ..	...	6	94 <sup>1</sup> / <sub>2</sub>	85	83 <sup>1</sup> / <sub>2</sub>	94 <sup>1</sup> / <sub>2</sub>	93	— 1 <sup>1</sup> / <sub>2</sub>
Union Pacific ... ..	...	8	156 <sup>1</sup> / <sub>2</sub>	140 <sup>1</sup> / <sub>2</sub>	118 <sup>1</sup> / <sub>2</sub>	137 <sup>1</sup> / <sub>2</sub>	136 <sup>1</sup> / <sub>2</sub>	— <sup>1</sup> / <sub>2</sub>
U.S. Steel ... ..	...	nil	59 <sup>1</sup> / <sub>2</sub>	82 <sup>1</sup> / <sub>2</sub>	46 <sup>1</sup> / <sub>2</sub>	81 <sup>1</sup> / <sub>2</sub>	78 <sup>1</sup> / <sub>2</sub>	— 2 <sup>1</sup> / <sub>2</sub>
Buenos Ayres Gt. Southern ...	...	4	105	97 <sup>1</sup> / <sub>2</sub>	72 <sup>1</sup> / <sub>2</sub>	85	81 <sup>1</sup> / <sub>2</sub>	— 3 <sup>1</sup> / <sub>2</sub>
Armstrong Ord. £1 ... ..	...	12 <sup>1</sup> / <sub>2</sub>	2	45 9	34 9	35 6	35 9	+ 3
Canadian Car. Common ...	...	nil	47 <sup>1</sup> / <sub>2</sub>	121 <sup>1</sup> / <sub>2</sub>	20	112	107 <sup>1</sup> / <sub>2</sub>	— 4 <sup>1</sup> / <sub>2</sub>
Hudson's Bay £1 ... ..	...	nil	7 <sup>1</sup> / <sub>2</sub>	7 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>2</sub>	+ <sup>1</sup> / <sub>2</sub>
Shell Transport Ord. £1 ...	...	35	4 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>	3 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>	4 <sup>1</sup> / <sub>2</sub>	...
Vickers Ord. £1 ... ..	...	12 <sup>1</sup> / <sub>2</sub>	1 <sup>1</sup> / <sub>2</sub>	39 10 <sup>1</sup> / <sub>2</sub>	31 3	32 0	31 9	— 3


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## Mining Topics.

BUSINESS has been very quiet on the whole in the Mining departments, except for a continuance of comparative activity in Far Eastern Rand shares and some show of business, with an advance in prices, in copper descriptions. Tintos have violently oscillated in Paris, and have ranged in London between the extremes of 53½ and 55.

**Eldorado Banket.**—Capital £300,000, in £1 shares. Crushings by stamps and Chilian mills have been as under:—

Year to	Tons Crushed	Value £	Per Ton	Working Expenses £	Per Ton	Profit (est.) £	Per Ton	Price end of Period
Mar. 31 1914	87,635	157,091	78 11	89,188	22/1	67,903	16 10	7
1915	57,473	132,393	45 4	£5,890	23/1	£6,503	23/3	14/9
1915-16. June qtr.	12,258	31,146	51 0	16,114	26 5	15,032	24 7	—

Gold reserve: Mar., 2,451; Apr., 2,001; May, 1,550 oz.

**Dividends declared—1913, June, 15; Dec., 15 per cent.; 1914, June, 10; Dec., 7½ per cent.; 1915, July, 7½ per cent.**

At December 31, 1914, the gold reserves set aside stood at 3,200 oz. Since, in the March quarter 750 oz. and in the June quarter this year 900 oz. have been withdrawn and added to the returns of gross receipts of each quarter, reducing the remaining

gold in reserve to 1,550 oz., value £6,532. This resort to accumulation put aside is maintaining the appearance of high yield per ton. We show below the return of yield derived from the 12,258 tons crushed in the June quarter, and apparently what was the true yield from treatment of current ore:—

Tons	Yield Oz.	Value £	Estimated Profit £
12,258	7,389	31,146	15,032
Per ton	—	51/0	24/7

Deducting value of 900 oz. gold taken from reserve in the June quarter we arrive at the following:—

Tons	Yield Oz.	Value £	Estimated Profit £
12,258	6,489	27,329	11,215
Per ton	—	44/9	18/11

**Mashonaland Agency.**—Tentatively the liquidation proposal for transfer of assets to a new company of same name, on basis of a new 10s. share being given for each of the issued 398,976 old £1 shares, has been agreed, but the project is subject to removal of Treasury restrictions.

(See Page 388 for an article on Willoughby's Consolidated.)

## THE EASTERN RAND.—II.

### GROSS PROFIT VALUE OF ORE RESERVES.

In an examination whether or not the market value of Rand mining shares is attractive to the speculative investor, a point that comes into consideration is the quantity of ore that, consequent on advance development work, has been brought into sight, and the probabilities as to the amount of profit per ton that such ore reserves are likely to yield. Let it be clearly understood what is meant by ore reserves, for the "tenderfoot" operating in the Mining market sometimes confuses ore reserves with the total of what ore is expected to be dealt with by the company. That is, of course, an entire delusion very rarely entertained. The quantity of ore actually brought into sight through developments may represent three, four, or five years' supply for the mill of present size, and the remaining ore that has yet to be developed may with some companies represent 20, 30, 40, or even more years as the life of the property on the present mill capacity.

If the mine has been well opened up, is in the working stage, and has a large quantity of ore to come and go upon for some time ahead, it amounts to a virtual certainty as to the period the ore reserves will last the present plant. The remainder of the life in working the ore as yet unattacked is, of course, not so assured, although there may be a fair degree of certainty of a more or less extended period. But from the point of view of the reasonable certainty of the ore reserves in sight, it will be of interest in respect of nine producing companies of the Eastern Rand, and one company at present non-producing—the Springs—to give figures as to the total amount of ore reserves brought into sight according to latest advices and the assay value of the same. It has to be borne in mind that the quantities are expressed as "mine" tons, and before a profit value per ton can be ascertained it is necessary to reduce the "mine" tons to "mill" tons. Concisely it may be stated that the mine tons are subject to the sorting out of country rock broken down with ore in the stoping width adopted. It will be reasonably conservative if we assume 15 per cent. as the average sorting out of rejected rock at surface. With some mines much eliminated rock broken down is also left underground and used as packing. After this sorting is effected from mine tons the mill tons are arrived at.

In the field of approximately 26 square miles occupied by these companies—vide map at page 325 of THE STATIST last week—there are variations in the characteristics of ore deposit. Where reef is narrow and high grade the extent of sorting above ground is large, as with the Modderfontein; where reef is split into

altering layers of ore and barren "partings" the extent of sorting, as with Modderfontein Deep, is low; and where reef is wide and of comparatively low grade the above ground sorting, as with Geduld, is but of small percentage.

	Average Width of Reef in Feet	Stope Width in Feet	Recent Rate of Sorting %
Kleinfontein ... ..	24	24	17
Van Ryn Deep ... ..	22	25	13½
Brakpan ... ..	5	62	19½
Modderfontein ... ..	2½	65	17½
Modderfontein B ... ..	20	55	17
Modderfontein Deep ... ..	50	69	7½
Government Areas ... ..	—	60	13½
Geduld ... ..	—	59½	4
Springs ... ..	—	52	—

Before, however, dealing with "mill" ton quantities, we may first of all set out the gross ore reserves of the respective companies—mine tons—and average of assay value. The figures are given in the following table:—

Ore Reserves				
	Mine Tons	Value	Stope Width in Feet	Date
Kleinfontein ... ..	2,779,445	23½	24	Mar. 31, 1915
Van Ryn ... ..	1,934,312	27.7	53	June 30, 1914
Van Ryn Deep ... ..	1,953,845	38.6	5	Dec. 31, 1914
Brakpan ... ..	2,490,000	25.6	62	" " "
Modderfontein ... ..	6,334,000	35.8	63	June 30, 1914
Modderfontein B ... ..	2,772,000	36.6	55	Dec. 31, 1914
Modderfontein Deep ... ..	2,450,000	34.7	69	" " "
Government Areas ... ..	2,481,551	24.7	60	" " "
Geduld ... ..	1,900,000	35.2	59½	" " "
Springs ... ..	553,000	43.9	52	" " "

The next table we will present for consideration is the quantity expressed as "mill" tons—that is, after deduction from the mine tons of the assumed 15 per cent. sorting out of broken down rock. Then, for the purpose of arriving at an idea of valuation of the reserves reduced to mill tons, we will base the profit value in respect of each company on the actual mine profit per ton returned for the month of July. It has to be borne in mind that the profit result per ton of one month is only a rough basis, and over a period of years may vary considerably either way. In the case of companies that by July 1915 had attained a high profit rate per ton, there is less likelihood of future appreciation in profit than in the case where only a small profit per ton was shown for the month. While with companies that only made a small profit per ton in July there is, in some directions, the likelihood of improvement, with those that made a large profit per ton in July there is the risk of a set-back. Some companies have the probability of improved profits through reduction in working costs, and those companies that have high working costs have greater chances than those companies that have already effected considerable reductions. But the actual profit of the month of July and the clean quantity of mill tons in sight for future use is a rough and ready gauge to take in arriving at the gross profit value of the ore reserves measured by the value of such profit per share. Some of the showings are very remarkable.

	(1) Quantity of Ore Reserves in Mill Tons	(2) Assumed Gross Profit Value per Ton	(3) Profit Value of Ore Reserves Col. (1) x Col. (2)	(4) Approx. Value of Reserves per Share	(5) Market Price of Share	(6)
Kleinfontein ... ..	2,412,000	8.6	1,440,000	1,200,000	16	20.0
Van Ryn ... ..	1,645,000	8.6	699,000	500,000	28.0	52.6
Van Ryn Deep ... ..	1,661,000	19.6	1,620,000	1,200,000	27.0	50.0
Brakpan ... ..	2,117,000	10.0	1,080,000	750,000	28.0	58.9
Modderfontein ... ..	5,385,000	22.6	6,008,000	1,400,000	17½	15
Modderfontein B ... ..	2,356,000	24.0	2,827,000	700,000	4	5½
Modderfontein Deep ... ..	2,084,000	20.0	2,081,000	500,000	83.0	98.0
Government Areas ... ..	2,084,000	7.6	781,000	1,400,000	11.0	22.0
Geduld ... ..	1,615,000	9.6	767,000	970,000	15.6	22.0

On conservative lines we reckon that with the use of about 1,100,000 tons a year from July 1, 1916, the life of the Modderfontein mine will equal approximately 20 years. In the interval the rate of consumption will probably be some 630,000 tons per annum. Now, in the table above we have the striking

feature that on the basis assumed of mill tons of ore reserves, the profit in respect of the quantity of ore in sight, at the rate of profit of July, amounts to over £6,000,000, which gross value is equal to £17½ per £4 share. This simply represents the profit value of the ore in sight, and such an estimated value per share contrasts with the market quotation at the present time of about 15, so that the market virtually disregards absolutely any value attaching to the fairly long life beyond the present ore reserves. This is a curious market valuation and recalls to our mind how, years ago, conditions on the Rand and market depression were such that there were instances of the market price of a share being exceeded by the cash actually held by the Company, nothing whatever being allowed by the market for a considerable area of property held.

We defer to next week intended remarks on the subject of life considerations, but for the purpose of throwing light on the values, expenses, and profits per ton we give herewith the working results of each of the companies over the last completed year and since to July 1915 inclusive:—

**Kleinfontein.**—Capital issued, £1,151,540, in £1 shares; £175,000 6% Debentures. 220 stamps. Four tubes. Capacity of plant in use is at present over 650,000 tons a year.

Yr. ends	Tons Sort.	Revenue	Expenses*	Profit	Price
Dec. 31 Stps.	Milled ing.	£	£	£	end of Period
1914 ... 200	601,000	19 741,722	26.4	528,452	17/7 253 270 8/9
1915.					
Mar. qr. 200	155,050	17 2,147	25.9	1,215.8	17.1 67,679 8.8 24.6
June qr. 200	153,800	16 2,132	25.11	135,932	17.4 67,445 8.7 22.9
July ... 200	54,500	— 74,401	25.11	46,258	17.4 24,223 8.7 23.0

\* Not including considerable expenditures in connection with the Apex and Benoni sections.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 5 per cent.

**Van Ryn.**—£500,000, in £1 shares Batteries, 180 stamps. Six tube mills. Present capacity about rate of 450,000 tons a year.

Year to	Tons Sort.	Revenue	Expenses	Profit	Price
June 30 Stps.	Milled ing.	£	£	£	end of Period
1913-14 138av.	439,900	8½ 530,129	26.10	351,143	16.0 278.936 10/10 3½
1914-15.					
Sept. qr. 140	115,550	8 149,358	25.10	82,984	14/4 65,371 11.6 —
Dec. qr. 140	116,900	7 147,273	25.2	82,572	14/1 64,631 11/1 —
Mar. qr. 140	114,720	8½ 144,209	25.1	81,917	14/9 69,312 10.4 2½
June qr. 140	115,750	7 140,094	24.3	82,142	14/2 65,952 10.1 3½
12 mos. 140	462,220	7½ 530,129	25.1	352,635	14.4 278,936 10.9 3½
1915-16.					
July* 140	37,750	— 48,053	22.11	27,109	14.4 16,244 8.7 2½

\* Decreased profit for July is due to temporary falling off in stope values.

Dividends—1914, June, 22½; Dec., 22½ per cent.  
1915, June, 22½ per cent.

**Van Ryn Deep.**—Capital, £1,196,892 in £1 shares. 80 stamps. 8 tube mills, started July 14, 1913. This plant has attained a capacity of about the rate of 530,000 tons a year.

	Tons Sort.	Revenue	Expenses	Profit	Price
Stps. Milled ing.	%	£	£	£	end of Period
1914 ... 77½	463,090	1½ 805,948	33.4	394,912	10.4 411.036 17/6 —
1915.					
Mar. qr. 80	135,500	13 244,900	37.2	163,193	16/3 131,745 2.11 2½
June qr. 80	125,100	13½ 234,75	37.4	114,895	16/7 129,581 20/7 2½
July ... —	41,250	— 41,250	3.5	35,699	16.5 44,547 19.10 2½

Dividends—1914, June, 12½; Dec., 12½ per cent.  
1915, June, 15 per cent.

**Modderfontein.**—Capital, £1,400,000, in £4 shares. Six tube mills in use. Present capacity of plant, 52,500 tons per month. Additional plant of capacity of 40,000 tons monthly arranged for, to raise total capacity to about 1,100,000 tons a year.

Year to	Tons Sort.	Revenue	Expenses	Profit	Price
June 30 Stps.	Milled ing.	£	£	£	end of Period
1913-14 180	510,350	4½ 99,352	38.9	437,663	17/1 552.689 21.8 13½
1914 15.					
Sept. qr. 180	156,500	15½ 282,809	36.1	116,370	14/10 166,439 21/3 —
Dec. qr. 180	150,400	17 26,349	38.1	117,43	15.3 148,706 22.5 —
Mar. qr. 180	149,000	17½ 26,544	38.8	122.8	2 165,644 22.2 13½
June qr. 180	155,500	17½ 311,988	40.1	129,391	14/7 182,597 23/6 14½
12 mos. —	611,500	17 1,199,892	38.3	481,256	15.1 684.4.6 22.4 14½
1915-16.					
July ... —	52,500	— 107,792	34.5	44,430	15.11 59,352 22.7 14½

Returns include profit from accumulated slimes

Dividends—1914, June, 15; Dec., 15 per cent.  
1915, June, 16½ per cent.

**Brakpan.**—Capital issued, 750,000 £1 shares; 160 stamps. Nine tube mills now working. Present rate of output about 760,000 tons a year.

Year ends		To is	Sort	Revenue		Expenses		Profit		Price		
Dec. 31	Stps	Milled	ing	Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	end of		
			%	<u>£</u>	<u>¢</u>	<u>£</u>	<u>¢</u>	<u>£</u>	<u>¢</u>	Period		
1914	...	140	621,573	13	859,116	27.7	575,660	18/6	283,456	9 1	—	
1915.												
Mar. qr.	150	1	7,910	1 1/2	232,802	27.8	155,539	18.6	77.2	3	9.2	2 3/4
June qr.	150	1	181,010	10	246,806	24.3	160,002	17.8	83,854	9.7	2 1/2	2 1/2
July ..	—	—	64,300	—	89,923	27.11	57,742	17.11	32,181	10/0	3	—

Dividends—1914, June, 12 1/2; Dec., 17 1/2 per cent.  
1915, June, 17 1/2 per cent.

**Modderfontein B.**—Issued capital £700,000, in £1 shares. Plant of capacity to deal with 540,000 tons a year.

Year to	Tons	Sort	Revenue	Expenses	Profit	Price				
Dec. 31	Stps	Milled	ing	Amt.	Per ton	Amt. Per ton	End of			
1914 ...	83 1/2	440,000	10	790,132	35.11	342,328	15/7	447.8.4	20/4	—
1915.										
Mar. qr.	96	120,700	12	231,021	38/3	93,922	14.7	137,099	22.8	4 1/2
June qr.	—	123,200	17 1/2	241,979	39.5	99,978	16/2	142,001	23.1	5 1/2
July ...	—	42,000	—	85,008	40.5	34.78	16/2	66,940	24/3	5 1/2

Dividends—1914, June, 25; Dec., 30 per cent.  
1915, June, 32 1/2 per cent.

**Modder Deep.**—Capital £500,000, in £1 shares. Sixty-stamp mill—six tubes—started December 14, 1914. Capacity of plant at present about 35,000 tons monthly. Arrangements made to increase to total of 40,000 tons monthly.

Year ends		Tons	Sort	Revenues		Expenses		Profit		Price
Dec. 31	steps	Milled	ing	Amt	Per ton	Amt	Per ton	Amt	Per ton	end of
1915.			%							Per ton
Mar. qr.	60	85,050	8	125,769	29/3	79,191	18/5	46,578	10.10	3½
June qr.	60	57,000	7½	167,246	34/5	80,819	1.7	85,427	17/10	4½
July ...	—	34,500	—	243,015	37/0	160,010	17/6	133,005	24/6	—
July ...	—	34,500	—	65,908	32/0	28,954	16/9	34,874	20/3	4½

Dividends—1915, June, 10 per cent

**Government Areas.**—Capital £1,400,000, in £1 shares. At December 31, 1914, floating debt about £240,000. 100 stamps, 10 tube mills. Plant ordered to be doubled, or total raised to rate of near 1,100,000 tons a year. The returns include sundry revenue.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Milled	ing	Amt.	Amt.	Amt.	end of
1914.		%	Per ton	Per ton	Per ton	Period
Oct. 16 to						
Dec. 31 1915.	97,700	13 1/2	8.905	16/5	105,433	2 1/5 23.168* 5 1/2 —
Mar. qr. 95 1/2	14,400	14 1/2	145,132	2 1/3	122,691	17/6 22,441 2 1/2 21.6
June qr. 100	142,000	13	171,245	24.0	132,115	16/7 38,850 5/5 14 1/2
July ...	45,000	—	64,478	28 9	47,109	21.1 17,537 7.8 13 1/2

\* Loss.

**Geduld Proprietary.**—The capital authorised is £1,000,000; issued, £970,000, in £1 shares. Plant has been enlarged to 60 stamps and five tubes, having a capacity of 26,000 tons a month. There is the probability of early increase of plant to 35,000 or 40,000 tons a month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price			
Dec. 31	Stps.	Milled	ing	Amt	Per ton	Amt	Per ton	end of	
1914	53 1/2	av. 244,585	1 1/2	395,457	32/4	298,489	24 5/8	9.968	7/4
[ Profit irrespective of £10,647 miscellaneous revenue in 1914 ]									
1915.									
Mar. qr.	60	71,330	5 1/2	115,683	31 10	7,412	21 11	5,271	9/11 21 0
June qr.	60	74,700	5 1/2	115,713	31 5	7,525	21 0	35,188	9/5 28 9
July	—	26,050	—	38,251	29 4	25,606	19/8	12,045	9 8 29 3

Gold reserve: 4,431 oz. July.

Monthly and quarterly profits include sundry revenue.

The sorting in this mine is both on surface and underground; very light on surface.

Dividends—1914, Dec., 5 per cent.  
1915, June 5 per cent.

**Latest Map of the Rand.**—With the Transvaal Chamber of Mines report for 1914, just received in this country, there is given a map of the Rand in colours. The map is approximately 4 feet by 1 foot 8 inches, and it shows the areas of individual mines, and the colours indicate the groups that control the mines. The railways and the lines of electric wire that supply the power, &c., to the different companies are also shown. We learn that it is intended to issue, at price 3s., the map separately as soon as copies are received in this country. The London office of the Chamber is 202 Salisbury House.

## PARRAL MINING CORPORATION, LTD.

RESPECTING the paragraph that appeared in our issue of last week cautioning people before buying the £1 shares of this Company, recently introduced on the market at nominally £1-£1 1/2, to ascertain the position of the Company, a correspondent has forwarded us a printed document marked "Private." It is descriptive of rich Brazilian gold and iron ore areas that it is represented the Company has secured possession of. It is undated and unsigned, has no names of directors or address of office, no statement of purchase consideration to vendors, or who are the vendors, and other necessary particulars. The document is headed "Parral Mining Corporation, Limited."

We learn on inquiry that the Corporation is awaiting Board of Trade consent to the use of the title of Parral Mining Corporation, Limited. There was a Parral (Mexico) Railway and Mining Corporation, Limited, registered March 1906, which issued a prospectus offering £300,000 of a total of 500,000 £1 shares, also £400,000 Debentures. This Company changed its name in 1911 to Parral (Mexico) Mining Corporation, and now seeks to drop the word "Mexico" from the title. It will be noted the first change of official title was effected in 1911, and the second change of title, "subject to the approval of the Board of Trade," was passed by a resolution at a meeting held on February 15, 1915. All this chopping and changing about, and what appears to be an irregularity in introducing the shares before the Company has obtained official sanction to change of title, emphasises the necessity for exercising caution in respect of a Company that purports to have "Capital £500,000, divided into 500,000 shares of £1 each. £100,000 is reserved for issue for working capital." Is the purchase consideration, then, £400,000? Have no Debentures been issued?

## SPASSKY COPPER.

THE report and accounts of this Siberian copper mining undertaking for the year 1914 under normal circumstances would have been issued about the end of July, but the difficulty of communication with Russia during the War has made this impossible. An official circular dated August 27, however, states that the accountant at Moscow has brought over the annual accounts, and these will be incorporated in the London books, audited, and then presented to shareholders at a general meeting proposed to be held in October. Meantime, from the information given in the circular and the monthly advices of copper output, it is possible to arrive at some idea of the results of the year.

First in regard to the output. According to the monthly advices the copper production of 1914 amounted to 4,674 tons, in comparison with 4,908 tons in 1913 and 4,374 tons in 1912. The diminution shown in 1914, which probably was due to the effects of the War, has been continued in 1915, the output for the seven months to July last inclusive being 2,464 tons, or an average of 352 tons per month, against 390 tons per month for 1914. For information as to the quantity of ore smelted, and the copper contents of same, the annual report will have to be awaited. In the 15 months to December 31, 1913, the ore smelted gave the high yield of nearly 18 per cent. copper, and the net profit in Siberia amounted to £229,183, the copper produced in the 15 months being 6,251 tons. Whether the whole or only a portion of this output was sold in the period was not stated in the annual report, and the price realised was not mentioned either. However, it may be noted that the average price of standard copper in London in the 15 months to December 31, 1913, was nearly £70 per ton. Against these figures for 15 months to December 31, 1913, it is to be noted that for the year 1914 the output was about 4,674 tons, and the official circular issued gives the profit earned for the year, after providing for the heavy income tax in Russia and making

allowance for depreciation is approximately £115,000 calculated on the rate of exchange prevailing before the War. The shorter period and the diminution of output, of course, largely account for the heavy decline in the profit, and in addition the price of standard copper in London for the year 1914 averaged about £59 10s. per ton, against nearly £70 per ton for the 15 months to end 1913. The London price of copper is merely a basis for comparison, for the Spassky, in common with other Russian copper producers, derives benefit from the heavy import duty on the metal in Russia, and therefore obtains an appreciably higher value for its production than the London quotations. The following table gives a comparison of the operating results of the past five years:

Years to Sept.	Ore Smelted Tons	Copper Output		Realised Value		*Aver. London Price of Copper	Working Costs Taxes, &c., per Ton of Copper	Net Profit in Siberia	
		Yield per Ton Smelted %	£	Per Ton of Copper	£			Per Ton of Copper	
1910 ...	19,647	2,384	18.9	188,245	78½	57½	37½	90,756	38½
1911 ...	31,302	2,888	14.1	219,787	76½	56½	37½	99,002	34½
1912 ...	28,315	3,998	16.9	366,285	91½	75½	28½	173,298	43½
15 mos. to Dec. 31,									
1913 ...	43,591	6,251	17.9	481,241	77½	68½	—	229,183	36½
Yr. to Dec. 31,									
1914 ...		4,674†	—	—	—	59½	—	115,000	24½

\* Average of calendar year. † Approximate. (a) Official figures. (b) Based on quantity of copper produced. Quantity unsold not stated.

The Spassky Company, in common with other copper producers, does not supply a detailed working revenue and expenditure account. In the past, figures were given as to costs of production, but this information was lacking in the last issued report. The net profit in Siberia shown above is principally derived from the copper produced from ore from the Yuspensky mine. Coal is obtained from the Company's own coal mine and transported to the smelters.

The capital of the Company is £978,940 in £1 shares, and besides its Yuspensky copper mine and the coal property, it owns the entire capital of the Atbasar Copper Fields, Limited, which has a very extensive copper-bearing area in course of being developed and equipped for production on a large scale. For the 15 months to December 31, 1913, the Spassky Company, notwithstanding the fact that the increase in its capital for acquiring and equipping the Atbasar was not then—and is not yet—productive, was able to pay dividends aggregating 25% in respect of a profit earned in Siberia of £229,000. These dividends absorbed about £192,000, and after allowing for sundry receipts and the amount brought forward, less office charges, directors' percentage, manager's commission, &c., about £45,000 was carried forward to 1914.

The official circular issued at the close of last week gives the profit earned for the year 1914 as approximately £115,000, which, added to the £45,000 brought forward from 1913, makes a sum of £160,000 available. The War, however, has rendered it necessary to defer payment of any dividend that may be declared. In the first place, the cash representing the Company's profits is in Russia, and to transmit it to this country there would, in present circumstances, show a loss in exchange of as much as 40%. Secondly, the expenditure on the plant installations at Atbasar and Spassky has been increased owing to the advance in all prices, to the delay caused by the War in the delivery of materials, and to the construction of a further line of railway which was not originally contemplated, but which experience has shown to be necessary in view of the inefficiency of other means of transport.

It is stated that the mines at Atbasar continue to open up in an exceedingly satisfactory manner, and that consequently in ordinary times there would have been no difficulty in meeting the situation by a Debenture issue, but as it is the Treasury has declined to authorise such an issue. In these circumstances it has been decided to reserve the funds in Russia for the purpose of paying for the plant and equipment

being erected. It is proposed, however, at the annual meeting to be held in October to recommend—unwisely, we think—the declaration of a dividend, but to postpone its payment until such time as it is possible to raise the necessary funds to complete the construction and development work at Atbasar and Spassky. But in any case it will be noted that the profit reported as earned in 1914 was equal to little more than 10% on the capital of the Company, though it has to be remembered that 1914 was—and 1915 will also be—an exceptional year, during which the Company has had to contend with unforeseen and uncontrollable difficulties the while its properties have been in the transition stage of equipment for larger production and profits.

The present price of the Company's £1 shares is about £2, which compares with £4½ touched in 1913. As regards ore supply it is not possible in the absence of the annual report to speak definitely, but extensive ore bodies have been proved at both the Yuspensky mine and at Atbasar, the metal contents being very high when compared with copper mines in other parts of the world. The situation of the properties for transport purposes, however, is not good, and this adds to the cost of production. In the future the position in this respect should be alleviated by railway construction.

In order that the future progress of the Company's monthly copper output may be followed we append the following table showing the productions of the past three-and-a-half years:—

Monthly Copper Output.

	1912 Tons	1913 Tons	1914 Tons	1915 Tons
January ...	365	435	403	350
February ...	291	448	403	351
March ...	225	435	400	397
April ...	355	475	404	384
May ...	30	32	405	366
June ...	340	375	403	335
July ...	365	495	403	281
August ...	460	468	397	—
September ...	438	468	350	—
October ...	435	439	363	—
November ...	435	400	356	—
December ...	425	400	387	—
12 months ...	4,374	49.8	4,674	2,464 (7 mos.)

**Abosso.**—Cabled advice reports that the West reef, first discovered in the south shaft section of the property early last year, has now been encountered by a cross-cut from the 9th level of the main shaft workings, situated some 1,600 feet north of the original discovery. The reef now disclosed in the cross-cut is reported to average a value of 65s. per ton for a width of about 44 inches. In the south shaft section of the mine the reef at the first points of intersection also showed very good values, but development work done since has disclosed great variations in the assays—indeed, for the most part driving indications so far have been poor. This, however, has been in a region where faults and dykes occur and in a part of the mine where the Main Reef also showed mostly unpayable values. It may be hoped, therefore, that better values will be met with in the main shaft section, and further development will, consequently, be watched with interest.

**Rayfield Tin.**—For the year to September 30, 1914, this Nigerian Company produced 593½ tons of tin concentrates, which were disposed of or valued at £57,348. It brought into stock 173 tons and carried forward 84½ tons. Consequent on low prices a loss of £4,533 was incurred. The finance position at September 30, 1914 was:—

Issued capital ...	400,000
Debentures ...	50,000
Creditors ...	35,176

Tin in transit, since realised for £7,216, has apparently come in useful in view of the Company having only £777 cash, for in respect of 1915 £5,000 Debentures have had to be retired and interest on the £50,000 provided.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 1, 1915.

## Issue Department.

Notes Issued.....	£85,915,580	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	67,465,580
	£85,915,580		£85,915,580

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities .....	£44,418,357
Reserve .....	3,637,107	Other Securities .....	145,105,473
Public Deposits.....	137,935,493	Notes .....	53,690,780
Other Deposits .....	87,921,833	Gold and Silver Coin .....	967,678
Seven-day and other Bills .....	35,050		
	£244,082,288		£244,082,288

## Comparison with Previous Five Weeks.

(In £'s sterling—00,000's omitted.)

Date	Active Circulation	Cash Both Depts.	Deposits Public Other	Securities Govt. Other	Re-serve	Ratio Reserve to Liabilities.	Bank Rate %	Three Months' Bills %
1914.								
July 28	£ 29.7	£ 38.1	£ 12.7	£ 54.4	£ 11.0	47.3	28.9	40.03
1915.								
July 28	33.5	60.9	177.6	95.5	53.1	192.2	45.8	16.77
Aug. 4	33.5	62.2	147.1	84.2	46.9	155.3	47.2	20.40
— 11	32.5	65.7	142.8	85.1	45.9	148.1	51.7	22.71
— 18	31.9	67.1	102.7	124.6	45.6	146.2	53.6	23.58
— 25	31.8	67.3	134.1	89.5	44.6	142.1	53.9	24.13
Sept. 1	32.3	68.4	137.9	87.9	45.4	145.1	54.6	24.16

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 6, 6%; Aug. 8, 5%

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.					
Total to Aug. 4...	135,391,365	91,661,725	46,729,640	28,500,000	61.0
Week to " 11...	4,462,995	2,409,131	48,783,504	28,500,000	58.4
" " 18...	4,398,894	2,095,952	51,036,445	28,500,000	55.8
" " 25...	5,339,090	2,224,044	54,201,492	28,500,000	52.5
" Sept. 1...	6,593,477	2,047,935	57,747,034	28,500,000	49.3

## II.—Balance Sheet, September 1, 1915.

Notes outstanding—	£	Advances—	£
One Pound .....	43,308,097	Scottish & Irish Banks of Issue .....	1,214,000
Ten Shilling .....	14,438,937	Other Bankers .....	471,000
Certificates outstanding .....	308,322	Trustee Savings Banks .....	28,500,000
Investments Reserve A/c .....		Currency Note Redemption A/c .....	14,585,827
		Gold Coin and Bullion .....	28,500,000
		Government Securities .....	14,585,827
		Balance at Bank of England .....	13,284,529
Total .....	58,055,356	Total .....	58,055,356

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Arrivals.	Withdrawals.
1915.		
Aug. 26, Thursday ...	873,000 bars.	10,000 Straits.*
" 27, Friday ...	Nil.	101,000 Foreign coin.
" 28, Saturday ...	Nil.	300,000 Misc. sovs.*
" 30, Monday ...	93,000 bars.	5,000 Straits.*
" 31, Tuesday ...	Nil.	100,000 Egypt.*
Sept. 1, Wednesday	731,000 bars.	393,000 bars.
		44,000 Foreign coin.
		250,000 Misc. sovs.*
		97,000 Straits.*
		100,000 Egypt.*
Total for week ...	1,697,000	1,400,000
Net aggregate ...	{297,000 influx for week.}	
Sept. 2, Thursday ...	{1,000,000 sovs.}	Nil.
" 3, Friday ...	{200,000 Misc. sovs.†}	1,857,000 Foreign coin.
	50,000 Misc. sovs.†	

\* Set aside.

† Released.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation .....	£29.7	£29.3	£29.4	£35.3	£32.3
Public Deposits.....	12.5	15.9	9.5	28.7	137.9
Other Deposits .....	42.5	47.1	44.5	133.8	87.9
Government Securities.....	18.7	13.4	12.4	28.0	44.4
Other Securities.....	28.9	36.5	27.6	121.8	145.1
Reserve .....	25.4	31.4	32.2	30.9	54.6
Ratio to Liabilities .....	46.1%	49.80%	59.59%	19.04%	24.15%
Bullion (both Departments) ...	36.7	42.2	43.2	47.8	68.4
Money:—					
Bank of England Rate.....	2½%	4%	4½%	5%	5%
Bank of France Rate .....	3%	3%	4%	5%	6%
Rate 3 months' Bills London ...	2½%	3½%	3½%	4½%	4½%
Exchanges:					
Paris Cheque .....	25 16	25 29½	25 24	nom.	27 55½
Hamburg 8 days .....	20 45½	20 44½	20 42	nom.	
New York 60 days .....	4 84½	4 83½	4 82½	nom.	4 58
Bombay Telegraphic Transfers	1/3½	1/4½	1/4½	1/3½	1/3½
Prices:					
Consols 2½ % Cash .....	90½	74½xd	73½xd	69½	65
French Rente 3 % Money .....	100.00	92.40	90.07	75	68.50
Silver, London spot .....	-28½	-28½	-27½	-24	-23½
Wheat, Gazette average .....	27/1	34/10	32/7	36/2	51/11
Cotton, Mid Upland .....	-15/90	-16/68	-17/40	-16/20	-15/91
Iron, Scotch pig .....	62/6	71/0	61/10½	61/6	70/9

## ARGENTINA.—Gold in Caja de Conversión.

July 28, 1915.....	Pesos 230,214,520
July 21, 1915.....	230,212,923
Dec. 31, 1914.....	221,703,321
Dec. 31, 1913.....	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversão.

July 3 to Aug. 17, 1915 ...	£5,635,846
June 19 to 26, 1915.....	5,972,149
Dec. 31, 1914.....	9,230,525
Dec. 31, 1913.....	18,400,561
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

† Last Return before the War.

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circulation.	De-posits.
May 31, 1915 ...	£5,947	£320	£6,267	£5,322	£2,294	£11,568	£555
June 30, 1915 ...	6,950	318	6,268	5,672	2,187	11,944	710
July 31, 1915 ...	6,946	300	6,246	4,573	2,087	11,352	649
July 31, 1914† ...	—	—	4,352	6,197	788	8,693	47
July 31, 1913 ...	—	—	4,153	4,778	1,181	8,193	39

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circulation.	Public Deposits.	Private Deposits.
Aug. 19, 1915...	£175,694	£14,717	£190,411	£11,119	£515,974	£4,452	£98,503
Aug. 26, 1915...	170,653	14,670	185,323	11,009	513,011	2,763	99,939
Sept. 2, 1915...	173,054	14,669	187,723	11,350	522,400	1,232	99,983
July 30, 1914†	185,654	25,013	190,667	97,768	267,327	15,302	37,903
Sept. 4, 1913...	137,671	25,575	163,246	85,764	226,341	10,733	28,253

GERMANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circulation.	Deposits.
July 31, 1914†	£82,660	£13,741	£96,401	£2,248	£114,164	£145,471	£82,923
Aug. 23, 1915...	120,316	2,328	122,644	12,738	237,866	285,861	90,852
Aug. 31, 1915...	120,510	2,244	122,754	10,840	247,698	278,217	86,818
Aug. 31, 1914...	77,825	4,114	81,939	9,625	242,749	211,744	122,067
Aug. 30, 1913...	66,073	14,000	80,073	1,972	52,842	95,784	30,579

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circulation.	De-posits.
Aug. 1, 1914† ...	£13,496	£249	£13,745	£13,422	£10,332	£35,660	£1,437
Aug. 14, 1915...	31,349	172	31,521	5,370	7,762	42,471	3,128
Aug. 21, 1915...	31,500	199	31,699	5,442	7,634	42,279	3,363
Aug. 22, 1914...	13,510	67	13,577	15,407	11,234	36,574	2,737
Aug. 23, 1913...	12,280	785	13,045	5,539	6,913	24,843	378

ITALY.	Gold.	Cash-Silver.	Total.	Other Cash.*	Loans & Dis-counts.	Circulation.	Deposits.
July 31, 1914† ...	—	—	—	£48,456	£25,017	£89,204	£8,887
July 10, 1915...	£46,796	£4,657	£51,453	£7,700	£38,253	£114,859	£31,063
July 20, 1915...	45,811	4,670	50,481	6,696	41,270	111,346	27,006
July 20, 1914...	—	—	—	£48,338	£21,008	£66,445	£8,182
July 20, 1913...	—	—	—	£49,333	£20,093	£64,695	£8,419

\* Including foreign gold bills, State notes, and small change.

JAPAN.	Cash.	Dis-counts.	Advances.	Notes.	Public.	Private.
Aug. 1, 1914† ...	£21,867	£1,829	£7,883	£32,722	£13,818	£1,521
July 17, 1915...	21,739	693	6,311	29,339	18,080	4,687
July 24, 1915...	21,560	680	6,282	29,664	17,969	4,758
July 25, 1914...	21,872	1,460	8,093	31,254	14,136	3,162
July 26, 1913...	21,607	3,719	9,185	33,015	17,204	966

N. YORK BANKS & TRUSTS	Own Vaults.	Reserve In Depositories.	Total.	Loans and Dis-counts.	Deposits.	Circulation.	Surplus Reserve.
Aug. 1, 1914† ...	—	—	89,888	£411,238	£337,185	£8,316	£1,720
Aug. 1, 1915...	£94,936	£32,830	127,766	£528,982	£51,782	7,480	37,168
Aug. 28, 1915...	95,968	34,532	130,500	529,620	557,738	7,408	38,830
Aug. 29, 1914...	—	—	75,836	425,534	380,540	20,832	Def. £8,770
Aug. 30, 1913...	—	—	84,664	390,089	361,000	9,900	2,799

NORWAY.	Gold.	Balance Abroad.	For. Gov. Securities.	Dis-counts & Loans.	Circulation.	Deposits.
July 31, 1914†	£2,960	£1,678	£493	£4,668	£6,752	£793
Aug. 15, 1915...	3,434	3,627	637	4,103	7,856	1,354
Aug. 23, 1915...	3,462	3,703	802	4,091	7,762	1,770
Aug. 22, 1914...	3,118	1,317	496	6,503	7,678	1,258
Aug. 23, 1913...	2,482	1,778	503	3,901	5,818	397

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circulation.	Total Deposits.
July 21, 1914†	£174,509	£7,383	£181,892	£8,688	£78,081	£183,411	£109,911
Aug. 14, 1915...	167,480	4,298	171,778	6,751	325,504	396,249	140,226
Aug. 21, 1915...	165,380	4,093	169,473	7,353	338,197	402,147	142,361
Aug. 21, 1914...	172,323	6,041	178,364	11,407	120,486	241,093	105,640
Aug. 21, 1913...	162,092	7,822	169,914	4,823	82,745	147,877	107,257

SPAIN.	Gold.	Cash-Silver.	Total.	Loans & Dis-counts.	Spanish & For. 4 %	Circulation.	Deposits.
Aug. 1, 1914† ...	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955
Aug. 21, 1915...	28,619	29,641	58,260	40,868	13,777	80,409	26,068
Aug. 28, 1915...	28,708	29,759	58,467	40,720	13,777	80,469	26,331
Aug. 29, 1914...	21,818	27,438	49,254	47,032	13,778	79,887	21,625
Aug. 30, 1913...	18,645	29,985	48,630	40,072	13,778	75,375	18,794

SWEDEN.	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Dis-counts & Loans.	Circulation.	Deposits.
Aug. 1, 1914† ...	£5,717	£8,150	£1,555	£7,495	£13,432	£3,903
Aug. 14, 1915...	8,299	5,098	2,757	8,558	15,197	4,529
Aug. 21, 1915...	6,288	5,423	2,743	6,078	14,820	4,902
Aug. 22, 1914...	5,729	2,780	158	9,916	15,128	4,255
Aug. 23, 1913...	5,703	3,744	1,264	7,250	11,128	3,047

## II.—FOREIGN BANK RATES OF DISCOUNT.

		Current Rates		A Year Ago	
		Date Fixed	Date Fixed	Date Fixed	Date Fixed
Paris	...	5	Aug. 20, '14	5	Aug. 20, '14
Berlin	...	5	Dec. 23, '14	5	Aug. 1, '14
Amsterdam	...	4 1/2	July 1, '15	5	Aug. 20, '14
Brussels	...	5	Aug. 27, '14	5	Aug. 27, '14
Vienna	...	5	Apr. 12, '15	5	Aug. 20, '14
Petrograd	...	5	July 27, '14	5	July 27, '14
Rome	...	5 1/2	Nov. 8, '14	5	Aug. 3, '14
Madrid	...	4 1/2	Oct. 26, '14	5	Sept. 1, '14
Stockholm	...	5 1/2	Jan. 6, '15	5	Aug. 28, '14
New York (Fed. Res. Bank)	3-5	Feb. 4, '15			

## III.—PUBLIC INCOME AND EXPENDITURE

(000's omitted.)

1915. Period	Receipts		Expenditures		Treasury		Treasury	
	Revenue	Loans	Supply	Debt	Balance	or	Out-	stand'g
7 days to Aug. 14	13,398	23,874	23,222	4,432	27,700	102,051	+ 3,825	237,919
7 " Aug. 21	5,826	62,403	46,965	8,883	59,849	107,634	+ 6,533	235,254
7 " Aug. 28	2,571	16,238	26,879	11,743	38,322	86,570	- 22,034	232,863
151 days to Aug. 23, 1915	83,058	751,892	480,833	267,940	743,773	86,570	+ 3,119*	+ 155,713*
152 days to Aug. 29, 1914	64,910	113,805	82,170	29,888	108,156	16,084	+ 5,649*	—

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—		Sept. 3, '15		Aug. 27, '15		Aug. 20, '15		Aug. 13, '15	
		Sept. 3, '15	Aug. 27, '15	Aug. 20, '15	Aug. 13, '15	Sept. 3, '15	Aug. 27, '15	Aug. 20, '15	Aug. 13, '15
Holland	3 mos.	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
—	Cable	11 4/4	11 6/4	11 6/4	11 7/4	11 7/4	11 7/4	11 7/4	11 7/4
Italy	3 mos.	30 3/4	30 60	30 85	30 3/4	30 3/4	30 3/4	30 3/4	30 3/4
—	Cable	29 85	30 05	30 30	30 10	30 10	30 10	30 10	30 10
Lisbon & Oporto	do.	36	36	36 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2
New York	do.	4 63	4 63 1/2	4 67 1/2	4 75 1/2	4 75 1/2	4 75 1/2	4 75 1/2	4 75 1/2
Paris	3 mos.	28 00	28 15	27 82 1/2	27 90	27 90	27 90	27 90	27 90
—	Cable	27 57 1/2	27 73 1/2	27 25	27 60	27 60	27 60	27 60	27 60
Petrograd	do.	136	136 1/2	134 1/2	135 1/2	135 1/2	135 1/2	135 1/2	135 1/2
Scandinavia	3 mos.	18 02 1/2	18 15	18 17 1/2	18 30	18 30	18 30	18 30	18 30
Spain (Bank places)	do.	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2
—	Cable	24 80	24 85	25 20	24 85	24 85	24 85	24 85	24 85
Switzerland	3 mos.	25 27 1/2	25 52 1/2	25 55	25 80	25 80	25 80	25 80	25 80
—	Cable	24 80	20 07 1/2	25 15	25 40	25 40	25 40	25 40	25 40

## Foreign Rates of Exchange on London, &amp;c.

		Sept. 3, '15		Aug. 27, '15		Aug. 20, '15		Aug. 13, '15	
		Sept. 3, '15	Aug. 27, '15	Aug. 20, '15	Aug. 13, '15	Sept. 3, '15	Aug. 27, '15	Aug. 20, '15	Aug. 13, '15
Alexandria	Sight	97 1/4	97 1/4	97 1/4	97 1/4	97 1/4	97 1/4	97 1/4	97 1/4
Amsterdam	Sight	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
Bombay	Transfers	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4
Buenos Ayres	90 days	48 1/2	48 1/2	47 1/2	48 1/2	48 1/2	48 1/2	48 1/2	48 1/2
Calcutta	Transfers	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4	1s. 3 3/4
Hong Kong	Transfers	1s. 9 1/4	1s. 9 1/4	1s. 9 1/4	1s. 9 1/4	1s. 9 1/4	1s. 9 1/4	1s. 9 1/4	1s. 9 1/4
Italy	Sight	29 1/2	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2
Lisbon	Sight	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2
Madrid	Sight	24 1/2	24 1/2	25 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2
Montevideo	90 days	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2
Montreal	Cables	84 69	84 69	84 69	84 75 1/2	84 75 1/2	84 75 1/2	84 75 1/2	84 75 1/2
New York	Sight	84 61 1/2	84 63 1/2	84 67 1/2	84 71 1/2	84 71 1/2	84 71 1/2	84 71 1/2	84 71 1/2
—	60 days	84 58	84 60 1/2	84 64	84 67	84 67	84 67	84 67	84 67
—	Cables	84 62 1/2	84 64	84 68	84 72	84 72	84 72	84 72	84 72
—	on Paris	5 98 1/2	5 98 1/2	5 98 1/2	5 98 1/2	5 98 1/2	5 98 1/2	5 98 1/2	5 98 1/2
—	on Berlin	80 1/2	81 1/2	81 1/2	81 1/2	81 1/2	81 1/2	81 1/2	81 1/2
—	on Vienna	15 07 1/2	15 07 1/2	15 10 1/2	15 12 1/2	15 12 1/2	15 12 1/2	15 12 1/2	15 12 1/2
—	on Amst'dm	39 1/2	39 1/2	40 1/2	40 1/2	40 1/2	40 1/2	40 1/2	40 1/2
—	on Mexico	37 1/2	37 1/2	37 1/2	37 1/2	37 1/2	37 1/2	37 1/2	37 1/2
Paris	Cables	27 1/2	27 1/2	27 1/2	27 1/2	27 1/2	27 1/2	27 1/2	27 1/2
Petrograd	Sight	135 1/2	135 1/2	134 1/2	135 1/2	135 1/2	135 1/2	135 1/2	135 1/2
Rio de Janeiro	90 days	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2
Scandinavia	Sight	18 1/2	18 1/2	18 1/2	18 1/2	18 1/2	18 1/2	18 1/2	18 1/2
Shanghai	Transfers	2s. 3 1/4	2s. 3 1/4	2s. 3 1/4	2s. 3 1/4	2s. 3 1/4	2s. 3 1/4	2s. 3 1/4	2s. 3 1/4
Switzerland	Sight	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2
Valparaiso	90 days	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2

\* Previous day's rates. † 10.30 a.m.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.		Inc. or Dec.*		1915 Agg.		Inc. or Dec.*	
		£	\$	£	\$	£	\$	£	\$
BIRMINGHAM	Aug. 28	1,547,906 +	477,933	57,306	350 +	3,453,806 +	84		
BRISTOL	" 28	637,000 +	180,000	2,619,000 +	4,410,000 +	56			
DUBLIN	" 28	3,094,106 +	631,200	127,863,100 +	12,144,710 +	105			
LEEDS	" 28	553,034 +	205,262	21,922,178 +	4,325,310 +	246			
LIVERPOOL	" 28	777,939 +	88,719	13,604,463 +	3,032,680 +	285			
MANCHESTER	" 28	4,775,512 +	1,517,550	187,992,619 +	25,884,892 +	159			
NEWCASTLE	" 28	5,838,896 +	1,954,909	229,547,983 +	5,355,682 +	22			
NOTTINGHAM	" 28	1,534,000 +	611,000	5,305,305 +	9,384,600 +	229			
SHREWSBURY	" 28	296,100 +	22,722	12,141,348 +	799,537 +	62			
SWINFIELD	" 28	484,292 +	143,644	20,205,331 +	2,385,628 +	134			
LONDON—	1915.	(000's omitted from the London clearings)							
TOWN	Sept. 1	233,654 +	111,783	7,248,027 +	2,190,494 +	23			
METROPOLITAN	" 1	15,150 +	2,324	633,109 +	37,990 +	63			
COUNTRY	" 1	26,181 +	6,171	1,039,767 +	103,134 +	116			
TOTAL	" 1	275,985 +	120,278	8,920,903 +	2,044,370 +	286			

The following special items are included in the London clearings:—

STOCK EXCHANGE SETTLING DAYS.	1915	CONSOLS SETTLING DAYS.		"FOURTH" OF THE MONTH	
		£	\$	£	\$
July 29	38,882	63,446	July 1	59,806	37,562
Aug. 12	43,164	—	Aug. 5	52,168	—
Aug. 27	42,699	—	Sept. 1	54,130	—
1915 Agg.	656,305	—	434,138	—	372,230

\* Compared with a year ago.

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

	SEPT. 4.	1915.	1914.*	1913.
<b>METALS, MINERALS, &amp;c.</b>				
Iron—Scotch pig warrants	ton	70/9	51/8	51 10 1/2
—Middlesbro' warrants	ton	64/9 1/2	51/8	55/10 1/2
—Hematite warrants	ton	85/0	68/0	67/3
—Staffordshire bars, London	ton	112	69	69 10
—Common bars	ton	111 12 6	68	67 12 6
—Stock, Middlesbro'	tons	140,894	82,652	183,758
Steel Rails	ton	89 2/8	68 15	68 12 6
Copper—Standard	ton	287 15	256 10	272 17 2
—Stock, Europe & Afr., Aug. 31	tons	39,237	34,806	34,048
Tin—English ingots	ton	2155	2201	2202
—Straits	ton	2155	2199	2199
Tinplates—Ooke I.O.	box	17 10 1/4	18 1/4	13 0
Lead—Soft Foreign	ton	223 2 6	221	221
Spelter—Ord. Foreign	ton	274	270	221 15
Quicksilver—(75lb.)	bottle	218 15	218 15	27 5
Aluminium	ton	2180	2190	228
Antimony—Regulus	ton	2125	235	229
Coal—Steam (best) Cardiff	ton	nom.	nom.	20/9
—(best) Newcastle	ton	19/0	14 0	15/0
<b>CHEMICALS, OILS, &amp;c.</b>				
Nitrate of Soda—Chemical	cwt.	13/6	11/3	11 1/4
Soda—Crystals ex ship	ton	22 2/8	22 5	22 2/8
Cochineal—Tenerife Silver	lb.	1/9	1/10	1/10
Copra—Malay & Straits	ton	223 15	210	231 10
Gambier—Good marks	cwt.	34/0	18/10 1/2	18 0
Indigo—Bengal good to fine	lb.	12/6	6/8	3/0
Linseed Oil—Spot, barrels	ton	228	228 10	225 7/8
Linseed—Calcutta, spot	410lb.	66 0	—	48 0
Olive Oil—Spanish	ton	250	251	248
Palm Oil—Lagos	ton	231	231	237
Petroleum—American	gallon	7/9 1/2	7/9 1/2	7/8 1/2
Rape Oil—Refined English	ton	238	235 10	232 10
Soya Oil	ton	222 10	228 10	228 10
Tallow—Aust. mixed	cwt.	34/9	27/6	33/3
Turpentine—Amer. Spirit	cwt.	34/4	34/0	30/3
Rape Seed—Toria	416lb.	52 6	51 6	48 0
Rubber—Para. spot	lb.	2/4	2/10	3/7 1/2
—Fine plantation (smoked)	lb.	2/4	2/11	2/7
—World's Visupalkin (Mayton)	lb.	19/08	21/50	17/619
Shellac—T. N. Orange, fair	cwt.	87 6	58/0	60/0
<b>TEXTILES.</b>				
Cotton—Middling Upland	lb.	7/5 91	7/8 20	7/7 40
—Egyptian good fair	lb.	7/5 55	7/7 90	7/9 80
—Pernambuco, fair	lb.	7/6 39	7/8 73	7/7 48
—Mid. Upl. New York	lb.	9 85	10 1	13 25
—Stock, Liverpool, Aug. 27	bales	1,252,220	889,000	572,180
Flax—Petrograd, Yarnol	ton	265	—	232
Hemp—N. Zealand, good fair	ton	233	226	232 10
—Manila, fair strips	ton	238 10	228 10	232 10
Jute—First Marks, spot	ton	223 10	235 10	233
—Red SCO	ton	221 15	232	230 5
Silk—Bee Elephant	lb.	9 3	11/8	11/9
Wool—P. Philp unwashed av. lb.	lb.	1/0	1/1	1/1
—Lincoln Half Hogs	lb.	1 5 1/2	1/11	1/10
Hides—English Ox, 90lb. & over lb.	lb.	7/1	7/1	7/1
Leather—Dressing Hides	lb.	2/1	2/7	1/4
<b>VEG. FOOD, CORN, &amp;c.</b>				
Wheat—Visup. U.S. Aug. 30 bus.	bus.	7 119,000	33,214,000	45,449,000
—Red, price, N.Y. 60lb. bushel	bushel	116 1/2	124 1/2	97 1/2
—English Gazette, aver. 480lb. qr.	qr.	51 1/2	36 1/2	32 7/8
Flour—Lond. Whites ex Mill 250lb. qr.	qr.	45 0	38 0	30 6
Barley—Eng. Gaz. aver. 400 lb. qr.	qr.	38 3	30 3	29 0
Oats—Eng. Gaz. aver. 312lb. qr.	qr.	30 0	23 6	17 10
Malze—N.Y., (new bushel) 56lb.	lb.	nom.	90 1/2	85 1/2
—Amer. mixed, Liverpool 100lb.	lb.	8/11	9 0	5 3/4
—La Plata	480lb. qr.	32 6	28 4	26 0
Potatoes—Kents	ton	80 0	85 0	87 6
Rice—Imports since Jan. 1	tons	31,501	16,332	9,302
—Deliveries do.	tons	20,117	9,923	11,182
—Stock	tons	18,358	11,104	5,485
—Price, Bassein	cwt.	17 0	6 10	8 3/8
Tapioca—Pearl, medium	cwt.	17 6	15 0	17 0
Hay—Best	2,016lb. load	110 0	87 0	95 0
Hops—English	cwt.	28 28 10	28 5	25 10
<b>ANIMAL FOOD.</b>				
Beef—Argen. chilled bndqrs. 8lb	8lb	5/7	5/10	2/10
—Scotch sides	8lb	6/8	7/0	4/0
—English	8lb	6/2	6/8	3/10
Mutton—Scotch	8lb	6/4	6/4	5/0
—English wethers	8lb	6/0	6/4	4/4
—New Zealand frozen	8lb	4/9	5/0	2/7
Pork—English	8lb.	6/10	7/4	4/8
Bacon—Irish	cwt.	102/0	105/0	76/0
—Danish	cwt.	102/0	105/0	70/0
Hams—Amer. long cut	cwt.	68/0	77/0	70/0
—short cut	cwt.	68/0	77/0	72/0
Lard—Amer. pails	cwt.	50 3	52 3	58 6
Butter—Danish	cwt.	168/0	172/0	125/0
—Siberian (Santos)	cwt.	120/0	138/0	88/0
—French	cwt.	120/0	148/0	84/0
—New Zealand	cwt.	—	—	—
—Australian	cwt.	—	—	—
Cheese—Canadian	cwt.	72/0	76/0	84/0
—New Zealand (white)	cwt.	72/0	75/0	—
<b>SUGAR, COFFEE, TEA, &amp;c.</b>				
Sugar—Imports since Jan. 1	tons	421,513	483,378	618,978
—Deliveries do.	tons	590,347	520,556	543,809
—Stock	tons	51,692	74,733	131,240
—Price, Java, 96° Pol.	cwt.	20 0	20 0	10 9
—Mauritius, crystals	cwt.	24 8	28 0	15 0
—Tate's Cubes, No. 1	cwt.	31/0	33 6	35/3
Coffee—Imports since Jan. 1	tons	49,305	40,092	30,422
—Home consumption do.	tons	13,754	10,648	10,397
—Exports do.	tons	17,948	18,460	13,243
—Stock	tons	30,611	21,451	15,184
—Price Costa Rica gd. to fine cut	cwt.	75/0	84/0	80/0
—Brazil (Santos) spot	cwt.	36 3	37 0	42 9
Tea—Imports, (for 7 months) lb.	lb.	200,433,732	157,624,299	144,085,254
—Home consumption do.	lb.	189,745,112	183,734,899	175,810,063
—Exports do.	lb.	33,600,871	30,472,796	31,788,732
—Stock, July 31	lb.	88,120,000	78,959,000	72,655,000
—Price, Indian, Pek Soug, good	lb.	1/0 1/4	1/8	1/8
—Ceylon, Pek Soug, Ord.	lb.	1/0 1/4	1/8	1/8
—Common Congou	lb.	1/0 1/4	1/8	1/8
Cocoa—Grenada, good to fine cut	cwt.	80/0	84/0	67/0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -	
Bal. & O. Down	Aug. 27	80	—	£3,861	+	483 34	129,065	+	11,230
Co. Ban. & S.O.	Aug. 27	103	—	2,085	+	106 34	70,518	+	3,292
Dublin & S.E.	Aug. 27	180	—	6,639	+	711 34	187,882	—	1,826
Gt. Northern	Aug. 27	661	—	24,456	+	205 34	782,540	+	20,240
Gt. S. & Western	Aug. 27	1,130	—	34,546	+	919 34	1,107,278	+	92,824
Mid. Gt. West.	Aug. 27	638	—	12,722	+	702 34	430,484	+	12,004

\*. On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross. Rupees.	+ or - Rupees.	Wks	Total. Rupees.	+ or - Rupees.
Assam Bengal	July 24	882	+11	1,06,000	- 4,522 17	21,86,611	+	78,418
Barel Light	Aug. 7	118	—	16,000	+ 4,400 19	4,38,000	—	71,000
Bombay & N.W.	July 31	2,041	+13	2,97,840	- 73,640 18	66,77,008	+	9,74,946
Bombay Doars	July 31	153	—	37,206	+ 2,887 18	4,68,428	—	31,478
Bomb. Nagpur	July 31	2,685	+ 7	6,38,000	+ 2,000 18	1,38,93,000	+	32,000
Bomb. Baroda	Aug. 28	2,859	+32	10,11,000	+ 74,000 22	2,48,88,000	—	6,38,000
Burma	July 24	1,342	—	3,22,736	-1,53,127 17	64,54,689	—	12,42,448
East Indian	Aug. 28	2,718	- 1	17,92,000	- 76,000 22	4,47,42,000	+ 2,30,000	
Gt. Indian Pen.	Aug. 21	2,981	+15	13,64,500	+2,69,800 21	3,18,30,944	+ 4,53,098	
Madras & S.M.	July 31	3,132	- 1	7,80,000	-48,658 18	1,62,84,520	+ 3,14,032	
Nizam's Guar.	July 31	797	—	1,60,518	+ 15,319 18	33,69,998	- 17,810	
Robt & Kumaon	July 31	560	+18	53,678	- 6,957 18	13,41,087	- 42,948	
South Indian	July 31	1,783	+10	4,86,672	- 42,398 18	98,16,882	- 5,50,559	
South Punjab	M. of Mar.	823	—	6,69,429	-1,16,571 6†	37,48,996	- 8,23,212	

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Can. Northern	Aug. 21	4,985	+295	286,500	—	21,100 7	2,001,500	— 674,300
Can. Pacific ...	Aug. 21	12,921	+694	1,956,000	—	188,000 7	13,005,000	— 4,029,000
Gd. Trk. Pac. ...	Aug. 21	818	—	111,489	—	6,934 7	79,589	— 41,194
Grand Trunk	Aug. 21	4,008	—	251,828	—	10,745 34	5,291,867	— 496,248
Grd. Trunk W.	Aug. 31	338	—	45,984	—	1,085 34	883,237	— 8,551
Det. Grd. Ha.	Aug. 31	189	—	17,645	—	2,272 34	363,368	— 18,605
Madisonland	M. of June	761	—	45,729	—	14,891 9†	380,219	— 217,628
Mid. W. Aust.	M. of June	277	—	4,913	—	4,545 12†	88,694	— 48,528
New Cape Cent.	Aug. 7	205	—	1,463	—	61 32	67,849	— 854
Rhodesia Ry.	M. of June	1,397	—	69,940	—	14,563 9†	553,075	— 215,525

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+/-	Gross.	+ or -	Wks	Total.	+ or -	
Alcoy & Gandia	Aug. 28	33	—	Pa. 7,000	—	7,000 35	431,700	—	35,750
Antofagasta	Aug. 29	819	—	29,030	—	8,920 35	798,585	—	401,589
Arauco	M. of June	844	—	5,250	—	712 6†	37,875	—	10,874
Arg. N. East.	Aug. 28	752	+ 85	7,060	—	2,060 9	54,613	+	11,343
Arg. Transand.	July 24	111	—	150	—	120 4	830	—	720
Bolivar	M. of July	110	—	7,000	—	505 1†	—	—	—
Brasil	M. of May	3,382	—	M 3,282,000	—	17,244 5†	15,983,000	—	804,584
Paulista	M. of May	721	—	M 1,500,000	—	238,338 5†	8,850,000	—	101,324
Mogiana	M. of May	1,131	+ 57	M 1,263,000	—	256,423 5†	7,833,000	—	281,381
B.A. & Pacific	Aug. 28	3,535	+ 29	83,000	—	26,000 9	695,000	—	124,000
B.A. Gt. So. ...	Aug. 29	3,792	+ 63	84,000	—	30,000 9	682,908	—	61,967
B.A. Western	Aug. 29	1,887	+ 75	45,000	—	13,000 9	371,000	—	60,000
Cent. Argentine	Aug. 28	3,307	+ 45	105,000	—	22,000 9	855,200	—	128,200
Cent. Uruguay	Aug. 28	271	—	12,714	—	4,935 9	89,895	—	14,783
" (B. Ext.)	Aug. 28	311	—	3,642	—	1,351 9	28,679	—	6,843
" (N. Ext.)	Aug. 28	185	—	2,172	—	1,109 9	15,748	—	2,811
" (W. Ext.)	Aug. 28	211	—	2,138	—	906 9	12,311	—	2,384
Colomb. Nat.	M. of May	86	—	9,512	—	2,928 5†	47,412	—	1,155
Col. Ry. & Nav.	M. of May	854	—	19,809	—	8,877 9	224,068	—	52,213
Cord. Central	Aug. 28	1,188	—	34,000	—	5,440 9	310,760	—	11,230
Cuban Central	Aug. 28	354	+ 9	8,028	—	1,498 9	84,281	—	7,167
Dorada Ext.	M. of July	71	—	8,500	—	2,500 7†	53,000	—	6,600
Egyptian Delta	Aug. 10	619	—	4,319	—	541 19	52,003	—	23,756
Entre Rios	Aug. 28	730	—	10,000	—	3,500 9	75,800	—	9,180
Gt. S. of Spain	Aug. 21	104	—	Pa. 61,273	—	12,704 34	1,970,300	—	378,083
Gt. W. Brazil.	Aug. 28	1,010	—	7,200	—	900 35	336,100	—	101,900
La Guaira & Co.	M. of Aug.	23	—	5,750	—	3,000 8†	54,750	—	22,600
Leopoldina	Aug. 28	1,808	+ 54	28,989	—	7,487 35	979,897	—	86,445
Manila North	Aug. 28	316	+ 10	3,484	—	630 35	189,748	—	37,447
" South	Aug. 28	268	+ 91	3,364	—	498 35	131,684	—	11,859
Mid. Uruguay	M. of June	319	—	10,632	—	680 12†	113,751	—	14,838
Nitrate (Zwika)	Aug. 31	368	—	19,802	—	6,419 35	205,468	—	243,405
N. W. Uruguay	M. of July	113	—	21,500	—	683 1†	—	—	—
Paraguay Cent.	Aug. 28	255	—	473,000	—	237,000 9	3,458,000	—	1,331,000
Peruvian Corp.	M. of July	1,059	—	724,838	—	262,661 1†	—	—	—
Puerto Cabello	M. of July	24	—	3,000	—	250 7†	28,158	—	1,592
Salvador	Aug. 28	100	—	17,000	—	3,750 9	194,750	—	20,334
San Paulo	Aug. 22	1,534	—	33,620	—	13,698 8	302,533	—	52,314
Taitai	M. of July	184	—	8,160	—	16,388 1†	—	—	—
U. of Havana.	Aug. 28	681	—	24,015	—	7,280 9	201,812	—	36,418
Urug. Northern	M. of June	73	—	1,938	—	132 12†	18,163	—	7,862
W. of Havana	Aug. 28	147	—	5,107	—	224 9	43,326	—	8,443
Zafra & Hlva.	M. of June	112	—	7,061	—	6,058 6†	43,248	—	42,578

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine	Aug. 28	369†	+21	48,885	—	115 34	1,733,692	—
Auckland (4 wks.)	July 30	25†	—	20,408	—	374 4	—	136,814
Brazil Tracton	M. of June	—	M.	6,591,940	+403,040	6†	37,684,110	+1,239,922
Brisbane Electric	M. of July	30	—	31,150	+1,470	7†	209,650	+151,992
Bristol	Aug. 27	31	—	10,222	+1,584	34	325,739	+27,595
British Columbia	M. of July	242	+5†	510,723	-179,300	1†	—	—
Calcutta	Aug. 28	35†	—	65,292	+35	35	22,54,123	—
Cape Electric	M. of July	42 30	—	17,322	+2,649	1†	—	98,275
Carth. & Har.	M. of Aug.	9	—	1,553	+1,235	8†	14,328	—
Cork Electric	Aug. 26	8†	—	1,045	+2	34	37,146	—
Dublin United	Aug. 27	54†	—	6,551	+473	34	208,486	—
Havana Electric	Aug. 1	—	—	61,038	+2,148	31	1,578,577	—
Isle of Thanet	Aug. 28	27†	-5	1,063	-193	49	19,598	—
Kalgoorlie	M. of May	80†	—	3,269	+244	5†	13,472	—
Langkashire	Aug. 28	28†	—	2,173	+325	34	65,425	—
London C.O.	Aug. 25	141†	-1	47,720	+5,145	21	908,099	—
Madras Electric	Aug. 31	—	—	32,632	+3,103	35	468,912	—
Manila Electric	M. of July	—	—	123,750	+10,160	7†	847,753	—
Provincial	Aug. 28	21†	—	2,919	+698	47	102,327	—
Rangoon Electric	M. of July	25	—	4,629	+348	7†	34,374	—
U. of Montevideo	M. of July	90	—	25,161	+1,256	9†	251,853	—
Yonka W. Rdng.	Aug. 29	24†	—	1,738	+314	35	65,696	—

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 240,219 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (M) Miles. (\*) Compared with previous year. (†) Months. (‡) Track miles. (¶) Includes Detroit, Grand Haven and Milwaukee Railway. (‡) No. of cars. (‡) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
453 Cos. (000's omitted)	June to June	(a) \$248,850 (f) 2,937,516	+ 1,314 154,681	\$81,850 561,364	+ \$12,189 22,616
Alabama Gt. Southern	June to June	392,000	- 39,000	107,000	+ 48,000
Ala. New Or. Tex. & Pac.	June to June	4,776,000	- 649,000	1,123,000	+ 34,000
Ala. & Vicksburg	June to June	125,000	- 22,000	12,000	- 10,000
New Orleans & N.E.	June to June	1,623,000	- 375,000	133,000	+ 113,000
Vicks. Shreve. & Pac.	June to June	297,000	- 35,000	70,000	+ 24,000
Atchison, Top. & S.F.	June to June	3,664,000	- 668,000	574,000	+ 68,000
Atlantic Coast Line	June to June	120,000	+ 4,000	8,000	- 8,000
Baltimore & Ohio	June to June	10,422,000	+ 424,000	72,000	+ 228,000
Canadian Northern	July to June	1,417,000	+ 813,000	3,349,000	+ 478,000
Canadian Pacific	July to June	117,663,000	+ 6,658,000	16,031,000	+ 3,917,000
Chesapeake & Ohio	July to June	2,177,000	- 381,000	238,000	- 79,000
Chicago & N. Western	July to June	31,535,000	- 5,295,000	7,043,000	+ 2,016,000
Chicago Great Western	July to June	8,871,000	+ 524,000	3,077,000	+ 805,000
Chic. Burl. & Quincy	July to June	91,815,000	- 7,349,000	27,891,000	+ 3,150,000
Chic. Mil. & St. Paul	July to June	1,206,100	- 388,200	285,100	- 145,400
Chic. Rock I. & Pacific	July to June	17,225,600	- 4,476,000	4,828,700	+ 1,633,000
Ch. St. P. Min. & Omaha	July to June	7,896,000	- 2,687,000	2,800,000	- 978,000
Clev. Cin. Chic. & St. L.	July to June	98,865,000	- 30,950,000	33,676,000	+ 8,861,000
Colorado & Southern	July to June	3,643,000	+ 378,000	1,258,000	+ 323,000
Cuba Railroad	July to June	39,463,000	+ 2,004,000	11,908,000	+ 862,000
Delaware & Hudson	July to June	7,069,000	- 251,000	1,619,000	- 295,000
Denver & Rio Grande	July to June	83,580,000	- 4,220,000	26,691,000	+ 554,000
Erie Railroad	May to May	7,264,000	- 320,000	2,185,000	+ 17,000
Grand Trunk Railway	May to May	91,125,000	- 2,562,000	30,638,000	+ 221,000
Grand Trunk Western	May to May	1,088,000	- 10,000	208,000	+ 15,000
Hocking Valley	May to May	12,739,000	- 445,000	3,092,000	- 60,000
Illinois Central	July to June	8,219,000	+ 394,000	2,812,000	+ 428,000
Indiana & Michigan	July to June	91,435,000	- 2,178,000	24,717,000	+ 1,900,000
Interoceanic	July to June	6,854,000	- 550,000	644,000	- 578,000
Kansas City Southern	July to June	70,942,000	+ 2,266,000	13,629,000	+ 326,000
Louisville & Nashville	July to June	1,465,000	- 68,000	412,000	- 2,000
Memphis & Ohio Valley	July to June	18,197,000	- 373,000	5,074,000	+ 312,000
Michigan Central	July to June	3,163,000	+ 16,000	750,000	+ 20,000
Min. St. P. & N.W.	July to June	20,206,000	- 475,000	3,560,000	+ 2,337,000
Missouri Pacific	July to June	1,008,000	+ 22,000	150,000	- 124,000
New York Central	July to June	14,090,000	- 868,000	3,463,000	+ 625,000
Northwestern	July to June	457,000	+ 25,000	258,000	+ 80,000
Omaha & Pacific Coast	July to June	5,207,000	- 42,000	2,727,000	+ 257,000
Pennsylvania	July to June	1,914,000	- 56,000	700,000	- 23,000
Pittsburgh & Erie	July to June	10,782,000	+ 33,000	3,622,000	+ 471,000
Pittsburgh & West Virginia	July to June	1,866,000	- 41,000	647,000	+ 165,000
Rock Island	July to June	21,823,000	- 1,852,000	6,511,000	+ 388,000
St. Louis & San Francisco	July to June	5,673,000	+ 254,000	1,959,000	+ 701,000
St. Paul & Northern Pacific	July to June	35,268,000	+ 1,425,000	8,291,000	+ 1,254,000
Union Pacific	July to June	2,793,500	- 551,800	2,239,600	+ 628,400
Utah & Northern	July to June	4,840,650	- 435,000	1,251,250	- 27,200
Western	July to June	130,700	+ 5,300	25,400	+ 21,650
Wisconsin Central	July to June	845,000	+ 10,550	45,100	+ 49,350
Great Northern	June to June	\$5,194,000	- \$878,000	\$2,091,000	+ \$179,000
Hocking Valley	June to June	67,134,000	- 9,689,000	30,334,000	+ 1,253,000
Illinois Central	June to June	613,000	- 38,000	181,000	+ 26,000
Indiana & Michigan	June to June	6,181,000	- 840,000	1,997,000	+ 221,000
Interoceanic	June to June	4,879,000	- 517,000	531,000	- 175,000
Kansas City Southern	June to June	62,111,000	- 4,261,000	10,879,000	+ 861,000
Louisville & Nashville	June to June	831,000	- 114,000	321,000	+ 10,000
Memphis & Ohio Valley	June to June	10,035,000	- 935,000	2,983,000	+ 509,000
Michigan Central	June to June	3,734,000	+ 152,000	1,029,000	+ 110,000
Min. St. P. & N.W.	June to June	42,626,000	+ 355,000	12,878,000	+ 496,000
Missouri Pacific	June to June	4,176,000	- 282,000	811,000	+ 10,000
New York Central	June to June	51,607,000	- 8,301,000	10,029,000	+ 2,264,000
Northwestern	June to June	3,118,000	+ 221,000	1,016,000	+ 280,000
Omaha & Pacific Coast	June to June	16,558,000	+ 296,000	3,323,000	+ 668,000
Pennsylvania	June to June	2,056,000	- 187,000	650,000	+ 81,000
Pittsburgh & Erie	June to June	27,763,000	- 1,643,000	8,149,000	+ 24,000
Pittsburgh & West Virginia	June to June	2,379,000	+ 44,000	469,000	+ 198,000
Rock Island	June to June	32,899,000	+ 1,018,000	9,931,000	+ 1,240,000
St. Louis & San Francisco	June to June	4,534,000	- 107,000	778,000	+ 118,000
Union Pacific	June to June	53,654,000	- 1,628,000	11,962,000	+ 1,027,000
Utah & Northern	June to June	13,862,000	+ 833,000	4,376,000	+ 1,343,000
Western	June to June	88,415,000	+ 3,233,000	22,707,000	+ 7,975,000
Wisconsin Central	June to June	6,328,000	+ 482,000	2,883,000	+ 1,553,000
Great Northern	June to June	65,379,000	- 2,073,000	18,733,000	+ 4,077,000
Hocking Valley	June to June	882,000	- 31,000	382,000	+ 20,000
Illinois Central	June to June	8,927,000	- 325,000	2,141,000	+ 40,000
Indiana & Michigan	June to June	4,330,000	+ 588,000	1,559,000	+ 454,000
Interoceanic	June to June	42,988,000	- 1,663,000	13,277,000	+ 382,000
Kansas City Southern	June to June	5,350,000	- 442,000	1,418,000	+ 228,000
Louisville & Nashville	June to June	63,172,000	- 7,277,000	21,550,000	+ 783,000
Pennsylvania System:					
E. of Pittsburgh	July to July	22,663,000	+ 841,000	6,721,000	+ 1,384,000
W. of Pittsburgh	July to July	135,415,000	- 3,075,000	26,660,000	+ 2,545,000
Pitts. C.C. & St. Louis	July to July	10,544,000	+ 291,000	3,076,000	+ 621,000
Pitts. & Reading	July to July	62,561,000	- 1,646,000	11,886,000	+ 1,462,000
Pitts. C.C. & St. Louis	June to June	3,328,000	- 9,000	685,000	- 38,000
Phila. & Reading	June to June	18,439,000	- 727,000	3,081,000	+ 123,000
Phila. & R. Coal & Iron	July to May	4,083,000	+ 260,000	1,466,000	+ 308,000
Phila. & R. Coal & Iron	July to May	43,405,000	- 3,178,000	13,340,000	+ 1,122,000
St. L. & San Francisco	May to May	2,297,000	- 635,000	Dr. 109,000	+ 210,000
St. L. & San Francisco	May to May	28,124,000	- 2,694,000	438,000	+ 345,000
Seaboard Air Line	May to May	3,412,000	+ 148,000	946,000	+ 700,000
Seaboard Air Line	May to May	39,560,000	- 1,944,000	11,219,000	+ 1,744,000
Seaboard Air Line	June to June	1,629,000	- 324,000	397,000	+ 164,000
Southern Pacific	June to June	21,280,000	- 4,140,000	5,296,000	+ 1,661,000
Southern Pacific	July to June	12,693,000	+ 1,330,000	4,693,000	+ 1,311,000
Southern Pacific	July to June	129,866,000	- 8,658,000	36,689,000	+ 2,066,000
Southern	June to June	4,744,000	- 489,000	1,139,000	+ 388,000
Union Pacific	June to June	62,200,000	- 8,651,000	13,400,000	+ 2,911,000
Union Pacific	June to June	7,327,000	+ 37,000	2,828,000	+ 988,000
Wabash	June to June	86,958,000	- 5,167,000	30,180,000	+ 1,448,000
Western Pacific	June to June	2,321,000	- 34,000	211,000	+ 18,000
Western Pacific	June to June	29,083,000	- 1,117,000	5,904,000	+ 347,000
Western Pacific	June to June	816,000	+ 91,000	232,000	+ 102,000
Western Pacific	June to June	4,708,000	- 643,000	1,288,000	+ 218,000



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# The Statist.

LONDON, SATURDAY, SEPTEMBER 4, 1915.

## THE AMERICAN EXCHANGE.

THERE was a further sharp break in the American exchange in the early days of this week, and on Wednesday it was reported to have been offered at 4.50 for sight drafts, showing a discount of 7.6 per cent. From this point, however, a substantial rally occurred, and on Wednesday the rate closed at 4.54. On Thursday and again to-day the recovery has continued, the rate closing on Thursday at about 4.62, while to-day there has been a rise to 4.71, equal to discount of 3.2 per cent. The great decline

appears to have been due to speculative operations. The fall in exchange rates and the heavy discount, however, made everyone possessing American securities realise the advantage of selling their bonds or stocks at what was equal to a premium of over 7 per cent., and large profits have been made by insurance offices and others quick to take advantage of the opportunity to sell stocks and bonds at prices which gave them a bonus so large and so unexpected. It is evident that several millions of securities have been sold, and that for the time being sufficient exchange has been created to meet the existing situation. Moreover, persons who were selling exchange speculatively have received a lesson which perhaps will make them more cautious in future, and will make them realise that Great Britain, with several hundred millions of saleable American securities, and with a great stock of gold which she is quite prepared to remit to the United States to provide exchange to pay for goods purchased, will not permit the sovereign to become depreciated, and that the operation of depressing the sterling exchange speculatively is not without risk.

It would seem to be superfluous to state that Great Britain is prepared to pay for all the goods purchased or ordered, and that if British purchases prove to be on a scale that cannot be maintained indefinitely with the sovereign at par the purchases will be reduced. The discount on the sovereign this week has already interfered with the demand for American goods, and will probably have an adverse effect upon our purchases of American cotton, wheat, and other produce for some time to come. Moreover, nothing could have been more efficacious in impressing upon men of affairs in this country the need of economy than the break this week in the American exchange, and the persons responsible for the break, whoever they may be, have undoubtedly performed a service to the British nation in bringing home to it the need of keeping its expenditures within its power to provide for them at any given moment. Moreover, we imagine that the lesson to be derived from the break in exchange has not been lost upon our statesmen who are responsible for the financial and economic welfare of this country. It is obvious, indeed, that there is a limit even to the power of the wealthiest nations to make expenditures, and that when the limit is passed reductions must take place. No one can doubt that the British people at the present time are spending a great deal more than their income permits, and must curtail their expenditures through economies effected by every class, and at the same time do everything possible to increase their productions in order to maintain their expenditures at the highest possible level consistent with sound finance. Of course, it is quite possible for nations, as well as for individuals, to pay for goods purchased by realising capital or by obtaining credits. But the power of the nation to realise capital is very limited, and it is obvious that the present expenditures of the nation are beyond its power to maintain, taking into account the possibility of realising capital and obtaining credits.

The foreign exchanges are the best barometer that exists for the purpose of indicating whether or not a nation is spending more than it can afford to spend, and the fall in the American exchange this week clearly indicates the degree of financial pressure.

This country usually spends far less than it can afford to spend and places its margin of income as capital in colonial and foreign countries. It is true that at the present time the nation is spending no more than it is entitled to spend if it had to consider only its own needs; but it has to consider not only its own domestic and war expenditures, but also the needs of its Allies, and it has to find large sums of money to aid the latter in paying for their foreign purchases. The ordinary method of checking either the excessive investment of capital abroad or excessive expenditure at home is by making money dear and scarce, and the Bank of England provides the machinery for this purpose. By putting up its discount rate and by charging higher rates of interest for loans it induces all the other bankers of the country to act in a similar manner, and this in turn causes persons who are lending money abroad to ask higher rates also. And in this way the rate of interest is raised to a level that checks investment of capital in other countries and possibly causes the repayment of some of the money previously lent. At the present time, however, the ordinary methods of preventing over-expenditure and an excessive drain of gold are inoperative simply because the nation is buying goods from abroad and lending money to its Allies to a much greater extent than its resources permit. Hence it has to provide the balance of the money needed to pay for goods and to make loans by sales of securities and by shipments of gold. Of course if it were able to buy any large quantity of goods through the creation of credits in other countries its purchasing power would be increased to the extent of the credits. So far foreign credits have not been considered necessary and consequently they have not been created. Whether or not they will be effected has now to be decided, but it is obvious that if they are not created the British people must either sell very large quantities of American securities or must reduce their purchases of American goods. And this is the lesson the great fall in the American exchange this week has inculcated.

When one takes into account the great quantity of American securities held in this country it is obvious that the nation can go on buying goods from abroad in excess of its power to pay for them out of its income for a long time, provided, of course, that the owners of the securities are willing to sell them. A moderate discount in exchange acts as a bonus upon the sale of securities, and probably this was the reason for the small discount on the sovereign which has prevailed for some time past. But this bonus was evidently not sufficient to induce holders of securities to sell their bonds and stocks, or to make them realise the need to sell from patriotic motives. The break in exchange this week will have the effect of impressing upon the minds of British investors generally the assistance they can render to their country as well as the benefit they can gain for themselves by selling American securities during this time of war in order to pay for goods that are being purchased from foreign countries, and we anticipate that the increased sales of securities will prevent, or at any rate will greatly assist in preventing, any depreciation in exchange in future.

But when all this is considered, together with the rate of the country's expenditures both for domestic and war purposes, it is evident that the economy which has been preached to the nation for the last six months must now be put into practice.

## THE WAR.

WANT of munitions is still preventing the *Entente* Allies from assuming the offensive, and, therefore, taking active measures to bring the War to a conclusion. The French are to be excepted. They have managed, in spite of the fact that so large a portion of their territory is in the occupation of the enemy, to make good their original deficiencies, and they now keep up so fierce and continuous a bombardment that the enemy cannot weaken his forces in France for strengthening those that are operating in Russia. Happily earnest efforts are now being made by the Allies to put an end to the great deficiency which existed. Our own country is increasing largely the outturn of munitions. In a very short time there is reason to hope that we shall have quite sufficient not only to fully supply ourselves, but to send a good deal to the assistance of our Russian Ally as well. Moreover, the Japanese Government is, with its usual loyalty, supplying Russia very freely. Japan, our readers will remember, has made great progress in manufacturing. She has, if our information is correct, fully provided herself with everything she needs for war purposes. In addition, she has turned out a very considerable output, which she is forwarding to Russia. Fortunately Japan is in a position freely and quickly to forward the supplies. Therefore, we may reasonably hope that before long Russia will find herself in a position in which she can take the offensive. At the present moment there is a conflict between the reports from Russia and those from Germany. The Germans, as usual, are announcing great victories. But we know that the German officials, from the highest to the lowest, openly proclaim that necessity excuses all acts. Consequently we are not bound to accept German reports unless they are confirmed from more trustworthy sources. On the other hand, throughout this War the Russians have been very sober in their statements, and exceedingly modest in their claims of success. Consequently, until we have something more than German claims to go upon, we prefer to accept the Russian version of affairs rather than the German. Meanwhile, as the reader knows, we have now entered the month when usually the rainy season sets in. It is possible, of course, that the rains may be delayed this year, or that Germany may have made unexpected advances before they really check her progress. In any event the rainy season will seriously affect to its disadvantage Germany's operations. If the rains are heavy they will turn the country almost into a marsh, and it will be difficult to move heavy artillery. No doubt the railways which have been more or less destroyed by the retreating Russians can be repaired. But it is doubtful whether they can be repaired in time before the rains set in, and it is to be recollected that the rains will be followed by an exceedingly bitter winter.

The position of the Germans, then, is to say the least extremely difficult. If they retire no doubt the Russians will pursue, and there may be a rising of the peasantry whom the former have plundered and ill-treated in every way. On the other hand, if they hold their ground, and still more, if they continue their advance, they will be farther and farther from their base; and exceedingly bad weather may make it impossible for the trains to run regularly, and, consequently, for the armies to be constantly supplied both with food and with munitions. The position, then, in Russia is by no means so dark as some of our contemporaries paint it. For the moment, there is no dispute that Russia has not a sufficiency of munitions and especially of high explosives; that, therefore, it is impossible for her to meet her enemy on equal terms; and that, as a result, the Grand Duke

is wisely retreating. But he is retreating in perfect order. We have had this week an illustration of that in the fact that suddenly the Russians turned upon their pursuers and inflicted upon them severe punishment. The Russian Army, then, has not been defeated. It has been withdrawn by its Commander-in-Chief from position after position because he was aware that in the dearth of ammunition he could not hope for victory. But the Army is confident in itself and in its generals, and the men are in perfect form. As soon as they find themselves in possession of a sufficient supply of ammunition they will be quite ready for assuming the offensive. Moreover, it is to be recollected that although extremely bad weather is injurious to all parties, it is less injurious to those who have been inured to it from their very infancy than to people who live in a more genial climate. The sufferings, consequently, of the Germans when the wet weather sets in and is followed by a severe winter, will be infinitely greater than those of the Russians. Furthermore, it is not to be forgotten that the population of Russia is much larger than the combined populations of Germany and Austria-Hungary; and that, consequently, as soon as Russia is provided with a sufficient supply of ammunition, she will be able to increase her armies in the field enormously. Already she has called up several classes that had not previously been called up. These have all been organised, and the young are being trained. As soon as they can be properly armed they will be fit for taking their places in the fighting line, and by and by, in consequence, Russia will be superior to her enemy not merely in numbers, but probably also in ammunition, while she will have a reserve to call upon immensely greater than those the two Central European Empires can avail themselves of.

### CONSCRIPTION.

EARLY this week Lord Cromer addressed to a morning contemporary a letter upon conscription which we hope has been widely read, for, though it does not go as far as we ourselves think would be desirable, yet it is eminently wise in the advice it gives to all who are inclined to value the opinion of perhaps the greatest living administrator. His advice is to drop the agitation for conscription, and leave to the Government to decide what measures are really requisite. Perhaps, coming from a man in Lord Cromer's position, that is as much as could reasonably be expected. We ourselves hold, however, that conscription would be a mistake from every point of view. Experience has shown all but those who refuse to be convinced that we have already raised too many men; that our real interest in this war was to supply, not ourselves alone, but all our Allies with everything that they required to carry the struggle to a successful conclusion. Everybody who had eyes to see could see from the very commencement that this was our absolute duty, for Belgium was over-run and occupied, and the principal manufacturing and industrial departments of France were likewise in the possession of the enemy, while the Russian Government at the beginning of last year had openly confessed that it was not prepared for war in any way, and in the autumn intended to carry through a mobilisation for the purpose of testing whether its reorganisation of the Army was being conducted on the right lines. Therefore, only those who were willingly blind could have failed to see that on us would fall the duty to provide ourselves and our Allies with all the munitions of war they required, and possibly very much else besides. The responsible authorities refused to recognise what was manifest. They called up immense numbers of men which to this day they have been unable to provide with the necessary munitions, and we see the consequences in Russia to-day. Therefore, the plain duty of this country is to add no more to the Army, but to increase

the productive power of the country in every way possible. Furthermore, it is certain, as we said last week, that an agitation for conscription, if it is pushed, will revive Party dissensions and probably lead to the dissolution of Parliament. The public man who in a crisis like the present would deliberately reawaken Party strife, possibly overturn the Government, and almost of necessity lead to a General Election, would commit nothing short of a crime. It is the duty of every one of us, each in his own sphere, to do what he can to keep the people united, to concentrate all our efforts upon the defeat of the enemy, and for that purpose to use our whole population in the way best calculated to enable us to pay our way, to help our Allies efficiently, and to strike down the enemy who without provocation began this terrific conflict.

We said last week that the main thing the British Empire needs for its permanent protection is a Navy so strong as to convince hostile countries that it would be extremely dangerous to attack us. Such a Navy ought to be maintained in peace just as in war, and no apparent prospect of long-continued peace ought in the future to induce us to lessen the Navy. The Navy ought to be kept up at overwhelming strength even if the world proclaims the Millennium. On the other hand, if we have a Navy so strong, that it can deter enemies from interfering with us, as, for example, our Navy did during the South African War, then we shall need only such an Army as may become necessary for garrisoning and securing the safety of India, and of the great coaling and refitting stations which we require all over the world. At home it will be quite sufficient if we train all our boys during their school time, and if we maintain a full reserve of officers and non-commissioned officers. There is, however, a point which space forbade us to touch upon last week, but which it is very necessary that we should bring before the attention of our readers, for it is decisive in this question. As has just been said, the main requirements of the British Empire, provided we maintain a Navy strong enough to ensure our independence, is the protection of India and of our great coaling and refitting stations. In other words, the Army with the Colours must necessarily be an Army intended for foreign service. If our boys are all trained, say, as efficiently as the Swiss are at present, and if we have such a reserve of officers and non-commissioned officers as would enable us should war be threatened to call out any force that might be required certain that we could officer it well, then all home requirements would be provided for. But does any man in his senses believe that it would be possible for us to call men out from their peace avocations and send them for goodness knows how long to India or some other even more distant part? A conscript Army cannot be employed in any numbers at a great distance.

A conscript army is required for service at home, or in the immediate neighbourhood of home. For service in India, or anywhere equally distant, it is out of the question. If we have conscription it must apply to every man in the country. It must not be for the poor alone. That was possible in the old days when working men had no vote, and when trade unions were rigorously put down. But now when the great bulk of the voters are working men and when trade unions are vigorous and rich, it is literally out of the question. Consequently, if there is to be conscription, every man, from the peer to the peasant, must be liable to it. And does anybody seriously suppose that the country would allow professional men, men in business, men conducting great works, to be taken as privates from their business and sent to the ends of the earth to fight for what might or might not be worth fighting for? It is certain that we must maintain a standing army quite distinct from a conscript army. Germany and France are able to maintain conscription because, firstly, Germany, as we pointed out last week, is a Socialist State; and, secondly, because neither country has ever been

called upon to defend a great colony with a really great army of conscripts. But we very possibly might be called upon to send out an immense army. And it is clear that conscription could not answer in such a case. The men who are to go in such a case must be like the men who have so patriotically and so gallantly volunteered from the Dominions beyond sea. It is, then, not merely unwise in the highest degree to risk reawakening of party passions at the present crisis by clamouring for conscription, but it is foolish also, for it really could not be put into force if the occasion arose. One great strike would end the attempt most assuredly, and there would be strikes unless, of course, there was the same hearty desire to defeat the enemy that there happily is at the present moment.

### GERMANY BACKING DOWN.

THE German Ambassador at Washington has informed the American Secretary of State that his Government is prepared to engage not to sink mercantile ships without visiting and examining them, unless the ships refuse to stop when ordered or fire upon the German submarines. The communication has been very favourably received by the American public, which regards it as an indication that Germany will renounce all her practices contrary to accepted international law, and that, therefore, a friendly arrangement will be arrived at. We trust the American interpretation will prove to be correct. Indeed it seems almost impossible that the German Government can be so mad as to add the United States to the list of its enemies, the more particularly as it is now proved by experience that the pretended blockade of the British coasts by Germany has proved a complete failure. At the same time it may well be doubted whether an arrangement will be arrived at as quickly and as satisfactorily as our American kinsmen seem to anticipate. It is the well-known practice of the German Government, when it knows that it has made a mistake and wishes to wriggle out of the consequences as easily as possible, to prevaricate, postpone, and prolong as long as the other party will permit. The communication made by the German Ambassador at Washington characteristically exemplifies this feature of German diplomacy. He called, in the first place, upon the Secretary of State, and without leaving a Note of any kind, announced by word of mouth that his Government was prepared to accept all the conditions laid down by the United States Government in its various communications respecting the blockade. It will be seen that the promises of Germany fall very far short of what the American Government has demanded. It still persists that there is a blockade; and, consequently, that it is entitled to stop and search all merchant vessels. Moreover, it threatens that if any vessel refuses to obey instructions to stop, or fires upon a German submarine, it will be treated as an enemy. This is a sample of the well-known practice of German diplomacy, and we presume that it will be continued as long as the United States allows. If President Wilson spins out the negotiations as the German Government hopes the year will probably expire, and possibly a great deal of next year, before a definite conclusion will be arrived at. If, on the other hand, the American Government insists that matters must be settled promptly and to its own satisfaction, we do not doubt that Germany will give way; for, as already said, the German Government cannot be mad enough to desire to add the United States to the list of its enemies. The truth is that Germany is nearing the end of her tether. She is exerting herself to the very utmost, and, it must be admitted, is showing that her utmost is very great indeed. But she knows that she has reached the very zenith of her military power, and that from this day forward she will be on the downward path. It is her interest, consequently, to avoid making further enemies, and it is likewise her interest to conciliate as many neutrals as she can.

### RUSSIA.

EVENTS in Russia are proceeding as last week we ventured to anticipate they would, and as we take the risk of predicting they will proceed in the future. The Russians, it is quite true, are still retiring, and the Germans are still advancing. But during the week the Germans and Austrians have suffered two severe reverses. In Galicia, the Austro-German Army suddenly became active, assuming the offensive, but it received a very severe check with considerable losses in prisoners and guns. In the main theatre of the struggle in the East the Russians suddenly turned upon their pursuers and inflicted upon them what seems to have been a serious repulse. From these two facts we learn, firstly, that the *morale* of the Russian forces is as excellent as we have ventured to describe it last week. The men are burning for an opportunity to take vengeance upon their enemies. But with the admirable discipline which characterises them they are obeying orders and steadily retiring—retiring, however, in such a guise that whenever the opportunity offers they are able to assume the offensive for the moment and check the enemy. The Commander-in-Chief is pursuing the same wary tactics which he has pursued for so long, and is allowing the enemy to seize great fortresses rather than risk the safety of his armies. In all this he has shown great wisdom as well as great self-control. How long it will be necessary for him to retreat remains to be seen. Probably he will think it prudent to continue his present policy for much longer than over-eager people like to anticipate. We are now in the month of September when the autumn rains begin, and at any moment, therefore, we may learn that Poland is turned into something resembling a marsh. Shortly afterwards winter will set in. Therefore the Grand Duke and his Staff know that time is on their side—nay, is fighting for them. Some contemporaries, who appear to be intent upon alarming the ill-informed public, allege that now the Germans have possession of the railways of Poland they can easily and quickly repair them; and, consequently, that the German forecast is right that the introduction of railways into Russia has changed the whole problem of the invasion of Russia. We shall see whether that is so or not. Personally we believe that the railways will involve the Germans in even greater disasters than befell Napoleon. For they will tempt them into most perilous positions, and rain and snow coming soon will make the railways of little account. However, it is always unsafe to venture into the region of prediction. We are content to wait upon events, convinced that from this time forward the weather is on the side of the Russians and that the collapse of Germany is not far distant.

It will be in the recollection of our readers that the difficulties of Russia all spring from the fact that she was totally unprepared. When the War was forced upon her she was engaged in a great work of reform. She was increasing her railway mileage. She was reforming her land laws. She was reconstituting her Navy. And she was reorganising her Army. A few years would have seen her immensely stronger than ever she had been before; and Germany recognising this decided to wait no longer, but to use the assassination of the Archduke Francis Ferdinand as an excuse for bringing on hostilities. The German calculations so far have proved to be astute. Russia was found entirely unprepared. But she was unprepared only in arms and ammunition. She has a

population much larger than the combined populations of the two Central European Empires. And, fortunately for her, that population, for the first time in her history, is loyal. The Proclamation with which the Grand Duke Nicholas prefaced his military operations has satisfied the Poles. Consequently everywhere Russia can count upon the willing assistance of her subjects. She has a very large Army actually in the field. And she is calling up new contingents which will immensely increase her Armies. It may be objected that since she is able neither to supply them with arms nor with munitions the calling of them up is of little use. We are glad to be able to say, however, that even in this matter events have changed considerably of late. We ourselves are now turning out munitions in immensely increased quantities. Mr. Lloyd George has the knack of getting things done, and he is most certainly getting munitions manufactured with extraordinary expedition. Therefore, our own Armies and Fleets are better provided than heretofore, and we are in a position to send considerable supplies to Russia also.

Not less important is it that our ally Japan, recognising the straits in which Russia is, has come to her help, and is supplying her with munitions on a large scale. Japan, like the rest of the Allies, has organised for the War her productive industries, and she is now turning out a greatly increased supply of all kinds of munitions. She is forwarding to Russia a large proportion of these. Some of our contemporaries, with strange notions of patriotism, are publishing letters to the effect that the reports respecting Japanese assistance to Russia must be wrong because the two countries the other day were at war. The contemporaries who publish this sort of trash are guilty of grave indiscretion, if no more. Do they not remember that England and the two Boer Republics were at war only a few years ago, and yet that in this conflict General Botha has rendered most valuable and distinguished services to the Empire? The Japanese, like the eminent Premier of South Africa, are high-minded, honourable, and gallant, whether as enemies or as friends. They are now friends and Allies of Russia, and, in consequence, they recognise their duties as such, and are forwarding to Russia valuable quantities of munitions. But it is said the Dardanelles are closed. Well, Japan would not send her supplies through the Dardanelles even if they were open. And if the objection is applied only to our own case we would advise the objectors to look at the map of Russia, and they will see that there are other ports at which munitions can be landed besides Vladivostok, which are out of reach of German submarines. It is unnecessary to say more. Russia is befriended just now, or at all events will be at a very early date, by rain, and snow, and frost. The enemy will find himself in something like a quagmire, and the difficulties of moving great guns will become a very serious one if not entirely impracticable. Russia, on the other hand, has been for some time calling up new contingents, and so immensely increasing her armed forces, while her Allies are pouring in munitions to her. Russia, then, has only to wait for a comparatively short time, and she will find the enemy in the grip of terrible weather, while she herself will have larger numbers with greatly increased supplies of munitions. All that is necessary is calmness, determination, and energy. We do not doubt that they will be forthcoming. We have left out of account the Balkan States because, to speak quite frankly, we know no more than other people what the Balkan States will do. This much, however, is certain, that every one of the Balkan States owes a deep debt of gratitude to Russia, who contributed so largely in every case, and exclusively in many, to their liberation. If the Balkan States sit still and refuse to help Russia in this crisis, all we can say is, they will prove themselves to be ingrates that deserve no consideration when the map of Europe comes to be re-drawn at the end of the struggle.

## THE AGRICULTURAL RETURNS.

The most important returns since the great year of agricultural disaster, 1879, were presented to the public on Thursday. Collected on June 4, 1914 and 1915 respectively, they show the full effect of war on English farming and cover a period of complete political and economic change. The month of June 1914 was destined not to pass before the murder of an Austrian Prince was made the excuse for an aggression long prepared. But on the 4th of the month no cloud was on the horizon. Again, by June 1915 the agriculturist had long since emerged from the very prevalent autumn feeling that the War would not last long. He had settled down to ideas of a long campaign, ideas of particular importance to the cultivator of the soil, who must prepare for events of several months ahead. Of this the returns themselves afford evidence in the interesting new feature of separate classification of wheat acreage, under which it is possible for the first time to give the sowings of spring wheat. These are 140,860 acres.

The main and general effect of the crop returns is discouraging. The Minister of Agriculture gave us some excellent cream in his speech to the different agricultural societies in later August, but he did not reveal the percentage of skim milk, and this proves to be very formidable indeed. On the analysis as a whole both arable and pastoral agriculture are declining; this, too, despite the fact that the War stimulus has rescued 31,100 acres from bare fallow. The reduction of our arable from 10,998,250 acres to 10,965,640 acres, despite what that stimulus was generally effecting, must be taken to argue that the great advance in prices due to the War was not sufficient wholly to efface the influences working against our cultivation of white crops, roots, and potatoes.

The decline in the area devoted to meadows and pastures, which is from 16,115,700 acres to 16,087,720 acres, is very small—one acre in five hundred. But it is startling almost to the degree of alarm. The average well-informed Englishman was aware of a general tendency, before the War, to replace arable by pasture; but he was not aware of a tendency for land to go out of cultivation altogether, and, even if he had had surmises in that direction, he would have assumed that a war crisis of unique severity would reverse such a bias. It is for this reason that the oldest agriculturists will be the men to feel most depression; not that 32,610 acres net are lost to arable (for the "old hand" is accustomed to vicissitudes of "up horn, down corn" and the reverse), but that 28,030 acres have been coincidentally lost to pasture, making 60,640 acres lost to farming altogether.

What is, what can be, the explanation? We throw out a suggestion. It may explain the true inwardness, what some have even called the mystery of the rejection of the unanimous Milner Report. Has the withdrawal of agricultural labour been greater and more serious than the Government dare admit? Instead of increasing the wheat area by at least a million acres, as such experts as signed the Milner Report affirmed to be immediately feasible, is the real problem by any chance that of finding for the new season labour to sow, weed, and subsequently reap and thresh the 2,170,110 acres actually under wheat?

Passing to the actual returns of white crops we have a 20% gain to wheat and of 8% gain to oats; but against this we have an 18% loss to barley, an 11% loss to rye, a loss of 9% to beans, of 23% to peas, and of 11% to tares. When Lord Selborne spoke at Westminster he had looked at one side of his pass-book only. We should mention that there is a gratifying increase in our orchards.

The decline of 112,370 in our horses is about what had been expected. A statement that as nearly as possible one hundred thousand horses in all had been taken for the Army was recently submitted to the Censor and allowed to pass. There are 2,870 fewer foals.

Cattle show some increase, though nothing very remarkable, but an increase of 71,660 in the number of calves is really satisfactory. It argues a general response of the farmer to the Government call for a diminished use of veal. As the users thereof are a luxury class the response, if from them, is peculiarly encouraging; while if the breeder has to be thanked, and butchers can tell us of absolute refusals to sell, that too would be an indication of high value.

The effort to keep more sheep has been sustained and good, so much so that, despite the least fecund lambing for a good many years, there is a net increase of 262,890 in our flocks. If the births of 7,169,100 lambs to 6,871,400 breeding ewes show singularly few twins to have been born, the reports from shepherds to the agricultural Press have been excellent with respect to the health of the mothers, and with regard to both health and growth of this season's lambs.

The steady decline in pig-keeping is of a most untoward character. The prices which pork, bacon, and ham have fetched since the War broke out have represented most tempting profits even with barley-meal at 12s. per cwt. Skim milk, the next great consideration to feeders, has been unusually abundant and quite as cheap as usual. The sty was very dangerously depleted in June 1914, and the figures for June 1915 now available show 61,450 further diminution. A small but authoritative commission of recognised experts appears to be called for with a real urgency, especially as the winter is approaching and the flesh of the pig is pre-eminently the meat of the poor.

## AUSTRALIA A STEEL PRODUCER.

Owing to the preoccupation of the newspapers with war news, an event of great importance to Australia, and indeed to the Empire, deserving of widespread interest, recently passed off almost unnoticed in this country. We refer to the official opening of the great iron and steel manufacturing works erected by the Broken Hill Proprietary Company at Port Waratah, near Newcastle, New South Wales, on June 2, 1915. That date, it is safe to say, will be a conspicuous milestone in the industrial progress of Australia, marking the dawning of a new epoch—the birth of the country's iron and steel manufacturing industry, enabling, in course of time, railway and other manifold requirements, hitherto mainly imported, to be supplied from native iron-bearing ores. To commemorate the event the Broken Hill Proprietary Company has issued a souvenir in the shape of a large-sized brochure of 54 pages of art paper, giving a description of the huge enterprise, and containing many good photographs of the plant and equipment and some very realistic coloured illustrations depicting the principal operations, such as drawing the charge from the blast furnace, charging and also tapping the open-hearth furnace, pouring liquid steel into ingots, &c.


The coming into being of the great enterprise is worth relating. For many years the Broken Hill Proprietary chiefly concerned itself in the production of silver, lead, and zinc from ores obtained from its own mine at Broken Hill and from purchased material. In the course of this work, which enabled it to pay many millions sterling in dividends to its shareholders, the Company became the owner of what are known as the Iron Knob and Iron Monarch properties, situated near together in South Australia, from which it obtained a quantity of iron ore for fluxing purposes in connection with Broken Hill ore. As the Company's silver-lead-zinc mine at Broken Hill neared the stage of exhaustion, the directors conceived the idea of turning to account the ownership of the iron-bearing properties, which were known to contain many millions of tons of rich iron ore, averaging as much as 68% metal, by making the Company a large iron and steel manufacturer, and, at the same

time, Australia self-supporting in the matter of its large requirements of steel rails, plates, wire, and other hardware goods. About the year 1911 the Company's General Manager visited Europe and the United States to inquire into the newest developments in the iron and steel industry. On his recommendation an American expert, Mr. David Baker, of Philadelphia, was appointed Manager of the iron and steel department. By the middle of 1912 the scheme had been thoroughly examined and planned, orders for the plant, &c., were given, and on January 3, 1913, an actual start was made. In less than 2½ years the initial and most important part of plant construction of the great enterprise has been completed. At Port Waratah, which a little more than 2½ years ago was a site of utter desolation, there are now to be seen the towering blast furnace with its four hot-air feeders, a network of railways, huge travelling steel bridges and ponderous cranes, locomotives with their trains of ore and coke, boiler and engine houses, steel mills, electrical plant, steel-rolling buildings, and all the massive details and accessories of a modern steel manufactory. The works are laid out on the most up-to-date lines, and labour-saving and mechanical appliances have been made a feature. Thus with both the blast and steel furnaces it is not necessary that any man should work above the platform level; the charging of the steel furnaces is all done mechanically. It is claimed that the works embody the cream of American experience; and America, be it noted, is the world's largest iron and steel producer.

The ore is railed from the iron properties in South Australia to Port Pirie, whence it is shipped to Port Waratah (Newcastle), on the east coast. Thereafter it is handled mechanically. In the matter of the supply of ore and flux the Company is independent, and the works are situated close to the vast Newcastle coalfields, supplying very suitable coal for coking in the range of ovens erected for the purpose. Altogether the conditions are such that the American expert of the Company states that iron and steel can be manufactured at a cheaper cost than is possible for the United States Steel Corporation—the main secret of this being the phenomenal richness of the iron ore. The present installation consists of a 350-ton modern blast furnace, three 65-ton open-hearth steel furnaces, one blooming mill, and one heavy rail mill. The cost of the works has been over £1,500,000 to date, partly met out of profits accumulated by the Broken Hill Proprietary in the past, and partly out of fresh share capital and Debenture issues. The rail mill has a capacity to turn out steel rails at the rate of 120,000 tons per annum, and large Government orders have been received representing quite twelve months' work. Further, the local requirements for steel are developing so rapidly that the directors are taking steps to instal at once two additional open-hearth steel furnaces of 70 tons daily capacity, and also to increase the capacity of the coking plant.


How great was the need of Australia for such works as these is shown by an incident that occurred soon after the opening. The new steel rolling mills had only been operating a few days when a local firm of engineers was suddenly called upon to produce a crank shaft for a marine engine. Nowhere in Australia was there a piece of steel large enough for the purpose. To have sent to England would have meant a delay of five months. Application was made to the new steel works, and a bar of steel of the size required was delivered within a few days. This week a cable has been received from Melbourne reporting that the Federal Munitions Inspector has passed 125 tons of shell steel made at the works.

In 1913 Australia imported iron and steel manufactures to the value of £7,500,000, and with the prospect of expansion in the prosperity of the country and the growing need for more and more railway construction, bridge-building, &c., the future of Australia's first iron and steel works is assured.

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## Financial Notes.

It is as difficult as it was a week ago to form any confident opinion as to what will be done by the Balkan States. It is very desirable that the Dardanelles should be opened. Happily, Sir Ian Hamilton's latest telegram informs us that good progress has been made. Therefore, there are reasonable grounds for hoping that the British and French alone will be in a position to open the Dardanelles in time. Of course, the military and naval authorities are very properly averse to stating what the real progress amounts to, or when we may expect that the Straits will be opened. But there is a confident feeling that even unassisted we can open them. It would be of great advantage if they were opened at once. But a delay must not dishearten us.

Of the five Balkan States Serbia and Montenegro are already our allies, valiantly defending themselves against the two Central European Empires. When the War is over they have unquestionably earned a very large reward. And we do not for a moment doubt that they will receive it. At the same time, Bulgaria asks as the condition of her accession to the side of the Entente Powers large concessions from Serbia. Whether Serbia will yield remains to be seen. It is certain that at the end of the War the Entente Powers will be in a position largely to reward Serbia. She has herself done much to gain Bosnia and Herzegovina. Most certainly she ought to get these in their entirety. Then there are Croatia and Dalmatia, the latter with admirable ports in the Adriatic. And doubtless, if necessary, the gifts will be increased, for Serbia has done good work, and is ready to continue doing such.

The threat of an Austrian attack upon Serbia, upon which we commented last week, has not as yet been turned into a reality. But it is repeated, and it is, of course, possible that it may be carried out. It would seem an extremely unwise thing, for, as we point out elsewhere, all the conditions are turning against the two Central European Powers in Russia, and, therefore, are preparing a state of things when it will tax to the utmost the skill, the ingenuity, and the resources

of the two Empires to escape without destruction. Yet the Germans may think that it is worth while incurring risk for the sake of once for all disposing of Serbia. Therefore it is possible that Serbia may agree to give up what Bulgaria demands. If so, there are the best reasons for expecting that the Balkan States will in the interest of themselves and of Russia join in the effort to open the Dardanelles.

Roumania at one time was believed to be anxious for a renewal of the Balkan Alliance, and to have made considerable progress with Bulgaria. Unfortunately, the progress has been lost. The negotiations respecting the Dedeagatch Railway are renewed, and it is said that the relations between Bulgaria and Turkey are much more cordial than they were. Were it not that the King of Bulgaria was an Austrian officer, and is believed to have retained extremely strong sympathies for Austria, we should think it incredible that the State would do anything hostile to Russia. It is to be recollected that only a single generation has passed since Russia drove the Turks out of Bulgaria, and ensured the independence of that country. It is true that there followed incidents which brought about a coolness between Russia and the State she had called into existence. But that coolness has long since passed away, and it seemed as if Bulgarians never could forget the great debt they owed to Russia. It will be odd, then, if Bulgaria allows a foreign Prince to turn her armies against Russia, and for the maintenance of the Turkish Empire.

One would think that even such a crooked mind as that of King Ferdinand would recognise that an alliance with Turkey now, or such neutrality as would practically strengthen Turkey, would be almost suicidal. Everybody is aware, and certainly King Ferdinand must be, that Germany and Austria look to South-Eastern Europe for a connection with Turkey; that they hope, if they emerge strong enough from this struggle, practically to get absolute control of Turkey, and from thence to push their influence in Persia and as far as possible in Asia, with the ultimate view to attacking India. Consequently, if the two Central European Empires were to succeed, the Balkan States, if they were not entirely swallowed up, would at all events be rendered mere servants of the two Central European Empires. Therefore, it would seem to be the highest interest of all the Balkan States to unite in this great opportunity so as to emerge from the struggle much stronger than they are.

Roumania, we do not doubt, sees all this very clearly. But it is to be recollected that her King is a member of the House of Hohenzollern; and, secondly, that if she is conveniently situated for the invasion of Austria, Austria is equally well situated to attack her. Practically, if the Russians are forced out of the whole of Poland the Roumanians, should they be left to themselves, would be very much at the mercy of Austria. If, however, a Balkan Confederation or a Balkan Alliance could be brought about the several Balkan States could put a very large army in the field, and it would be an extremely dangerous thing for the two Central European Empires to do anything which would compel that. Suppose, for example, that Bulgaria should come to terms with both Serbia and Roumania, and that, in consequence, an alliance between all the Balkan States were brought about so that they could put their full military forces in the field; and suppose that when the real winter sets in the Russians obtain sufficient munitions to assume the offensive, then a great Balkan army in possession of Transylvania, let us say, and probably kindling an insurrection in Croatia as well, would be a very serious menace. On the other hand, any further defeat of Russia might so discourage Roumania as to decide her to remain neutral.

To sum up, then, the position is this: The Entente Powers are using their influence to induce the Balkan States to unite and open the Dardanelles. The Balkan States express themselves favourably. But Bulgaria asks for large concessions from Serbia, Greece, and Roumania. It is understood that Roumania is not indisposed to make the concessions to Bulgaria, since she would receive concessions in other directions. It is also understood that Greece would yield a great deal in consideration for large concessions in Asia Minor. And, lastly, it is believed that Serbia, threatened with an invasion by the two Central European Powers, recognises that, though she would be making a great sacrifice, yet it is worth her while to part with districts which are Serbian and not Bulgarian so as to ensure not only assistance to repel invasion, but large concessions in other directions which would give her an opening to the sea and make her the most powerful of all the Balkan States. The question is, Is Bulgaria committed to Turkey and Germany, and is Roumania too much alarmed by the retreat of the Russians from Russian Poland?

### SOUTHERN PUNJAB RAILWAY.

THE interim report of the Southern Punjab Railway covering the six months to March 31 last shows, as we expected, that the Company earned a profit more than sufficient to maintain the dividend of 10%, although the sum available is smaller than in the corresponding half-year. A relatively heavy falling-off in gross receipts has apparently been attended by a considerable saving in working charges, and the net revenue balance, after deducting administration expenses, interest on Debenture stock, and the share of surplus profits due to the Secretary of State for India, comes out at £98,417, as against £103,605 twelve months ago. From this figure there must be deducted £46,000 in respect of dividend on £2,300,000 4% Cumulative Preference stock, leaving a divisible balance of £52,417. The amount of Preference dividend chargeable to revenue last year was only £40,693, and the divisible surplus was as much as £62,912. The interim dividend at the rate of 10% per annum absorbs £50,000, and there is thus a surplus of £2,417 to be added to the balance carried forward, as against £13,000 a year ago. As the amount brought in from last year was nearly £118,000, the amount now carried forward is raised to over £120,000. Unless some improvement in earnings occurs in the current half-year it is doubtful if the Company will be able to maintain the final distribution at 12%. Possibly, however, a 10% dividend will be forthcoming. In the twelve months to September last the Company's share of surplus profits amounted to £199,814, and if from this we deduct the loss of £5,189 sustained in the first half of the current year the surplus would still be as much as £194,625. Out of this, however, has to be paid the full dividend on the 4% Preference stock, requiring £92,000, and there would thus be a surplus for the Ordinary of £102,625—apart, that is, from any further falling-off in the current half-year. This sum would be sufficient to pay 10% on the Ordinary, with a surplus of £2,625. The dividends paid by the Company for a number of years are tabulated below:—

Southern Punjab Railway.													
	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903
1st half ...	%	%	%	%	%	%	%	%	%	%	%	%	%
2nd half ...	10	10	10	9	6	6	6	6	6	5½	4½	4½	4
Year ...	10†	12	10*	11	11	9	9	9	9	6½	5	4½	4½
Year ...	10	11	10	10	8½	7½	7½	7½	7½	6	4½	4½	4½

\* At the rate of 10% per annum for the 9 months to September 30.

† Possible rate of distribution.

The price of the Ordinary stock is about 155, and on a 10% dividend basis a yield of nearly 6½% is forthcoming. The last transaction in the 4% Cumulative Preference stock took place at 86, which is also the official minimum. At this figure the yield to the investor is £4 13s. per cent. The stock is, of course, very safe.



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## American Topics.

### AMERICA'S TRADE.

THE great fall in the American exchange upon London this week has created an increased measure of uncertainty as to the course of American trade in the coming twelve months. Obviously, if the American exchange upon London is at a substantial discount sellers of American goods in the British market will be severely handicapped in competition with sellers from other countries. And it is equally obvious that if Great Britain, France, Italy, and Belgium are compelled to pay for their purchases of goods from foreign countries entirely out of their own incomes, the amount of goods they can buy will be relatively small. And from this it follows that if the purchases of American goods by Europe are small, American trade will be slack. In the past year American trade would have been quite exceptionally depressed but for the great purchases of American goods by the British people in particular and by Europe in general, and should Great Britain, France, and Italy be compelled to reduce their purchases for lack of credit facilities, it is evident that trade in the United States will become much more depressed than at present.

The data are now available permitting a comprehensive view of the causes of the existing great trade balance in favour of the United States. In the twelve months to the end of June there was an expansion of over \$400,000,000 in the exports of goods from the United States, and this great expansion was due to an increase of \$317,000,000 in the exports to Great

Britain, of \$210,000,000 in the exports to France, and of \$110,000,000 in the exports to Italy. There were also expansions in exports to Holland, Sweden, and Norway which in some measure counteracted the reduction in the exports to Germany, Austria, and Belgium. Thus the broad fact is evident that more than three-fourths of the increase in the exports of the United States in the twelve months to June last arose from the increased purchases of this country. Therefore, it is evident that if by reason of exchange difficulties the purchases of American goods by Great Britain, France, and Italy have to be greatly reduced the foreign trade of the United States will experience severe contraction. Nor can any great expansion in the home trade of the United States be expected to make good the depression in the foreign trade. For some years past the railway companies have suffered from expansions in expenditure and in interest charges which they have been unable to make good by increased earnings. It is true that the Government is known to be entirely in favour of giving the railways rates high enough to enable them to meet their interest charges and to pay such dividends upon their Common stocks that will enable the railways to borrow and to obtain all the capital they need for their development. But the Interstate Commerce Commission not only refuses to be convinced by the weight of the evidence as to the need for any appreciable increase of rates, but declines to take into account the obvious wishes of the Government—wishes which are undoubtedly based on sound and practical statesmanship. Just recently railway earnings have shown improvement, but this arises from the great expansion in foreign trade and the advantages to the home trade this expansion has brought. Furthermore, it is evident that the ordinary investment of capital in the United States will continue to be restricted by the uncertainties of the situation. At a time such as this no one in any part of the world is disposed to embark any great amount of money in new enterprises requiring the expenditure of large sums of capital. Therefore, at the present time, with some uncertainty as to the course of the foreign trade, it is unusually difficult to form an opinion concerning the probable volume of trade in the United States in the coming twelve months. We are, however, disposed to believe that, in one way or another, American manufacturers, farmers, and merchants will find a way of placing at the disposal of foreign countries the credit required to enable them to buy the great quantities of food and manufactured goods America is producing, and is capable of producing; that consequently the foreign trade of the United States will be maintained, and probably increased; and that, as a result of this great volume of the foreign trade, increased activity will be shown by the home trade. To enable our readers to appreciate the large part which this country plays in the trade activity of the United States, we give the following statement:—

*Exports of American Merchandise.*

Principal Countries to which Consigned	Year to June 30		Inc. or Dec.
	1915	1914	
U. Kingdom .. ..	911,792,000	594,272,000	+ 317,520,000
France .. ..	369,397,000	159,819,000	+ 209,578,000
Canada .. ..	300,692,000	344,717,000	- 44,025,000
Italy .. ..	184,820,000	74,235,000	+ 110,585,000
Netherlands .. ..	143,267,000	112,216,000	+ 31,051,000
Sweden .. ..	78,274,000	14,644,000	+ 63,630,000
Cuba .. ..	75,530,000	68,884,000	+ 6,646,000
Australia .. ..	43,621,000	45,775,000	- 2,154,000
Japan .. ..	41,515,000	51,206,000	- 9,691,000
Norway .. ..	39,075,000	9,007,000	+ 30,068,000
Russia in Europe ..	37,474,000	30,089,000	+ 7,385,000
Mexico .. ..	34,164,000	38,749,000	- 4,585,000
Argentina .. ..	32,550,000	45,179,000	- 12,629,000
Germany .. ..	28,863,000	344,794,000	- 315,931,000
Brazil .. ..	25,630,000	29,964,000	- 4,334,000
Belgium .. ..	20,662,000	61,220,000	- 40,558,000
China .. ..	16,462,000	24,699,000	- 8,297,000
India, British .. ..	11,696,000	10,855,000	+ 841,000
Austria-Hungary ..	1,240,000	22,718,000	- 21,478,000
Other countries ..	371,925,000	281,537,000	+ 90,388,000
Total .. ..	2,768,589,000	2,364,579,000	+ 404,010,000

Against exports of no less than \$2,768,000,000 in the past year, the imports into the United States were only \$1,674,000,000, and the excess of exports over imports was \$1,094,000,000. Of this total the greater part arises from America's small purchases of British goods and Great Britain's vast purchases of American goods. According to the American returns, the value of the goods imported from the United Kingdom in the twelve months to the end of June was only \$256,000,000, while the exports to us reached \$911,000,000. Thus the excess of goods exported to this country over the amount imported was no less than \$655,000,000. It should, however, be noted that the value of the imports from the United Kingdom is arrived at by including a large amount of goods, such as wool from Australia and tea from India, which form part of our entrepôt trade. According to the British trade returns, we find that the exports of purely British goods from the United Kingdom to the United States were valued at only \$150,000,000 in the twelve months. On the other hand, all the goods that come here from the United States are not consumed here. If we accept the American figures, which include as British foreign goods transhipped, this country in the twelve months to June bought from the United States goods to the value of no less than \$655,000,000 in excess of the goods it sold to the United States, and that the total excess of exports arose mainly from the great purchases of this country. Moreover, this is the usual state of affairs. The exports of goods from the United States to Great Britain always greatly exceed the imports from Great Britain. In the twelve months before the War, the excess of American exports over imports was \$471,000,000 and of that total \$301,000,000 was the excess of exports in the trade with Great Britain. We set out below a statement of the trade of the United States with Great Britain according to the American returns in past years:—

*Trade between the United States and the United Kingdom.*

Year to June 30	American Goods Exported to U.K.	Goods Imported into U.S. from U.K.	Balance of Exports to U.K.
	\$	\$	\$
1915 .. ..	911,792,000	256,352,000	655,440,000
1914 .. ..	594,272,000	293,661,000	300,611,000
1913 .. ..	597,149,000	295,565,000	301,584,000
1912 .. ..	564,372,000	272,941,000	291,431,000
1911 .. ..	576,614,000	261,289,000	315,325,000
1910 .. ..	505,553,000	271,030,000	234,523,000
1905 .. ..	523,397,000	175,812,000	347,585,000
1895 .. ..	387,125,000	159,083,000	228,042,000
1885 .. ..	398,103,000	136,702,000	261,401,000
1875 .. ..	317,111,000	155,298,000	161,813,000

The countries from which the United States purchased goods in the past twelve months, and the relative smallness of these purchases, is shown by the following statement:—

*Imports of Merchandise into the United States.*

Principal Countries whence Consigned.	Year to June 30		Inc. or Dec.
	1915	1914	
	\$	\$	\$
U. Kingdom .. ..	256,352,000	293,661,000	- 37,309,000
Cuba .. ..	185,708,000	131,304,000	+ 54,404,000
Canada .. ..	159,572,000	160,690,000	- 1,118,000
Brazil .. ..	99,179,000	101,329,000	- 2,150,000
Japan .. ..	98,883,000	107,356,000	- 8,473,000
Germany .. ..	91,373,000	189,919,000	- 98,546,000
Mexico .. ..	77,612,000	92,691,000	- 15,079,000
France .. ..	77,159,000	141,446,000	- 64,287,000
Argentina .. ..	73,776,000	45,124,000	+ 28,652,000
Italy .. ..	54,974,000	56,408,000	- 1,434,000
India, British .. ..	51,983,000	73,631,000	- 21,648,000
China .. ..	40,156,000	39,383,000	+ 773,000
Netherlands .. ..	32,519,000	36,294,000	- 3,775,000
Australia .. ..	23,705,000	17,089,000	+ 6,616,000
Sweden .. ..	11,661,000	11,590,000	- 71,000
Norway .. ..	10,669,000	9,197,000	+ 1,472,000
Belgium .. ..	10,223,000	41,036,000	- 30,813,000
Austria-Hungary ..	9,794,000	20,110,000	- 10,317,000
Russia in Europe ..	2,512,000	20,831,000	- 18,319,000
Other Countries ..	306,360,000	304,836,000	+ 1,524,000
Total .. ..	1,674,170,000	1,893,926,000	- 219,756,000

An examination of the various kinds of goods exported from the United States shows how great has been the foreign demand for American food, leather, horses, and manufactured products. We take the following statement from the *New York Commercial Chronicle*, which has obtained it from an advance copy of "The Monthly Summary of Foreign Commerce":—

*Leading Articles of Export, in order of magnitude in 1915.*

Classes—	Fiscal Year—		Inc. or Dec.
	1915	1914	
Wheat and flour ..	482,400,000	142,400,000	+ 340,000,000
Raw cotton ..	376,200,000	610,500,000	— 234,300,000
Iron & steel manufs.	225,900,000	251,500,000	— 25,600,000
Meat & dairy prods.	220,100,000	146,200,000	+ 73,900,000
Mineral oils ..	133,700,000	152,200,000	— 18,500,000
Leather & manufs. of	120,700,000	57,600,000	+ 63,100,000
Copper pigs, &c. ..	96,200,000	141,900,000	— 48,700,000
Cotton goods ..	72,000,000	51,500,000	+ 20,500,000
Automobiles & parts	68,100,000	33,200,000	+ 34,900,000
Horses ..	64,000,000	3,400,000	+ 60,600,000
Coal ..	55,900,000	59,900,000	— 4,000,000
Chemicals, medi-			
cines, &c. ..	46,400,000	27,100,000	+ 19,300,000
Tobacco, unmanufd.	44,500,000	54,000,000	— 9,500,000
Explosives ..	41,500,000	6,300,000	+ 35,200,000
Corn & corn meal..	41,300,000	8,300,000	+ 33,000,000
Fruits and nuts ..	34,900,000	31,900,000	+ 3,000,000
Oil cake and meal..	28,900,000	21,700,000	+ 7,200,000
Wool manufactures	27,300,000	4,800,000	+ 22,500,000
Vegetable oils ..	25,800,000	16,300,000	+ 9,500,000
Sugar, refined ..	25,600,000	1,900,000	+ 23,700,000
Boards, deals, &c. ..	25,100,000	57,600,000	— 32,500,000
Other wood & mfrs. of	24,800,000	45,600,000	— 20,800,000
Zinc manufactures	21,200,000	400,000	+ 20,800,000
Brass manufactures	20,500,000	7,500,000	+ 13,000,000
Paper & manufs. of	19,800,000	20,700,000	— 900,000
Electrical goods ..	19,800,000	25,100,000	— 5,300,000
Barley ..	18,200,000	4,300,000	+ 13,900,000
Cars and carriages..	17,000,000	18,400,000	— 1,400,000
Rye ..	15,100,000	1,600,000	+ 13,500,000
Rubber manufs. ..	14,800,000	12,400,000	+ 2,400,000
Fish ..	12,900,000	12,800,000	+ 100,000
Mules ..	12,700,000	700,000	+ 12,000,000
Fibre manufactures	12,300,000	12,600,000	— 300,000
Naval stores ..	11,100,000	19,900,000	— 8,800,000
Vegetables ..	10,800,000	6,900,000	+ 3,900,000
Agricul. implements	10,300,000	32,000,000	— 21,700,000
All other articles ..	218,400,000	225,600,000	— 7,200,000

Total domestic expts. 2,716,200,000 2,329,700,000 + 386,500,000

Since the end of June America's exports have continued to be very large, while in July her imports were reduced. In July the excess of exports was no less than \$125,000,000, against an excess of imports last year of \$5,000,000.

The enormous value of America's exports and the great excess of exports over imports are shown by the following comparison:—

*Merchandise (July).*

	1915	1914	Inc. or Dec
	\$	\$	\$
Imports ..	143,100,000	159,677,000	— 16,577,000
Exports ..	267,979,000	154,139,000	+ 113,840,000
Excess ..	Exp. 124,879,000	Imp. 5,538,000	+ 130,417,000

The growth of America's exports month by month, and the smallness of the imports since the War commenced, will be evident from the following statement:—

*Merchandise Exports from and Imports to the United States.*

(In hundreds of thousands of \$: 00,000's omitted.)

	Exports			Imports		
	1914-15	1913-14	+ or —	1914-15	1913-14	+ or —
Aug. ..	110.4	187.9	— 77.5	129.8	137.7	— 7.9
Sept. ..	156.1	218.2	— 62.1	139.7	171.1	— 31.4
Oct. ..	194.7	271.9	— 77.2	138.1	132.9	+ 5.2
Nov. ..	205.9	245.5	— 39.6	126.5	148.2	— 21.7
Dec. ..	245.6	233.2	+ 12.4	114.7	184.0	— 69.3
Jan. ..	267.9	204.1	+ 63.8	122.1	154.7	— 32.6
Feb. ..	299.8	173.9	+ 125.9	125.1	148.0	— 22.9
Mar. ..	296.6	187.5	+ 109.1	158.0	182.6	— 24.6
Apr. ..	294.7	162.6	+ 132.1	160.6	173.8	— 13.2
May ..	274.2	161.7	+ 112.5	142.3	164.3	— 22.0
June ..	268.6	157.1	+ 111.5	157.7	157.5	+ .2
July ..	268.0	154.1	+ 113.9	143.1	159.7	— 16.6
Year ..	2,882.5	2,357.7	+ 524.8	1,657.6	1,914.5	— 256.9

The growth of the trade balance in favour of the United States month by month is shown by the following statement:—

*Excess of Exports from or Imports into U. States.*

	1914-15		1913-14	
	\$		\$	
Aug. ..	Imp.	19,401,000	Exp.	50,257,000
Sept. ..	Exp.	16,342,000	Exp.	47,155,000
Oct. ..	Exp.	56,631,000	Exp.	138,912,000
Nov. ..	Exp.	79,411,000	Exp.	97,303,000
Dec. ..	Exp.	130,976,000	Exp.	49,170,000
Jan. ..	Exp.	145,731,000	Exp.	49,324,000
Feb. ..	Exp.	174,682,000	Exp.	25,875,000
Mar. ..	Exp.	138,630,000	Exp.	4,944,000
Apr. ..	Exp.	134,170,000	Imp.	11,209,000
May ..	Exp.	131,933,000	Imp.	2,549,000
June ..	Exp.	110,856,000	Imp.	457,000
July ..	Exp.	124,879,000	Imp.	5,538,000
Year ..	Exp.	1,224,840,000	Exp.	413,186,000

## ARGENTINE RAILWAYS.

PROFIT-TAKING after their recent spurt has caused a reaction in prices of Argentine Railway securities this week. The position of the companies is, however, rapidly improving, and, although traffic returns to date are in most cases a long way behind those of two years ago, the improvement compared with last year is satisfactory, especially bearing in mind that traffic other than cereals is still of a very meagre description. The maize crop is planning out well and large exports are being made, the shipment since the commencement of the season being nearly 60 per cent. larger than those of a year ago. There is, moreover, a large quantity still to be carried, and the crop should keep the companies busy for a long while to come. The transport of wheat has now ceased, the whole of the last crop having been dealt with; but the outlook for the next harvest is reported to be very favourable, and if all goes well a bumper yield of wheat, as well as of oats and linseed, should be obtained later on. The good prices secured for the last wheat crop and the considerable profits that are being made out of maize, the price of which is as high as 32s. 6d. per quarter, will help Argentina materially in straightening out its finances, and as time goes on will bring about a big recovery in the import trade and in the general commercial activity. This will be quickly reflected in railway traffic returns, which, if the crops are good, will continue to show very large increases compared with a year ago. Last week's returns were satisfactory, considering the paucity of up traffic, the only instance of decline being on the Cordoba Central system, where damage to sugar by frosts caused some falling off in revenue. The Buneos Ayres Great Southern leads with an increase of £30,000 for the week, closely followed by the Bueons Ayres and Pacific with £26,000 to the good. This latter company has now a gain to date of £124,000, which brings the total to within £90,000 of that of two years ago. The Central Argentine, which traverses the important maize zone of the Republic, records an improvement for the week of £22,000, and for the nine weeks an increase of £128,200, or 15.5 per cent. The Buenos Ayres Western's gain of £13,000 for the week brings the aggregate receipts to date to within £22,000 of those of two years ago, the total takings for the first nine weeks of this year being £60,000 better than those for the corresponding period in 1914. The Entre Rios Railways Company is also picking up well with an increase to date of £9,100, or nearly 14 per cent., while the Argentine North-Eastern has added no less than £11,300 to its last year's total, the improvement being equal to over 26 per cent.

## KANSAS CITY SOUTHERN RAILWAY.

THE usual quarterly dividend of 1 per cent. has recently been announced by the Kansas City Southern Railway on its Preferred stock. As was natural in view of the exceptional conditions of the last twelve months, the earnings of the line have been considerably curtailed, and at the same time a large shrinkage in net profit has occurred. Further, comparison has been made during the past fiscal year with a twelve months' period during which the Company enjoyed great prosperity, and when both its gross earnings and net profits reached unprecedented totals. The net profit for the year to June 1914 amounted to \$1,725,000, a sum equal to the full dividend on the Preferred and to almost 3 per cent. on the Common stock. For each month commencing with August 1914 shrinkages in gross earnings have been reported, and although of late expenses have been kept well in hand and net earnings are now showing little variation from those of a year ago, the falling off of \$935,000 in gross receipts for the twelve months to June last was accompanied by a diminution of \$515,000 in net earnings, after deducting taxes. Interest charges were somewhat higher last year, so that there was probably a surplus of about \$300,000 after paying the Preferred dividend. That is to say, about 1 per cent. was earned in 1914-15 on the Common stock. From now onwards comparison will be made with the poor results of the past fiscal year, and this, combined with anticipated increased activity in trade, should tend to bring about better earnings and profits for 1915-16. During recent years a considerable amount of money has been spent in rehabilitating the property and raising its physical condition to a high standard. This work has practically been completed, until now the line is reported to be in a position to handle about double the existing volume of business merely by the purchase of a small amount of additional equipment. Great benefit is anticipated to be derived from the opening of the Panama Canal, for by its strategical position the Kansas City Southern is likely to participate to a large extent in the carriage of freight from the agricultural districts of the North-West and the manufacturing centres of the Middle West to Gulf ports for transshipment. Indeed, it is understood more than 3,000,000 bushels of grain were exported in the past fiscal year through the Company's terminal at Port Arthur, whereas no such shipments were made in preceding years. Having regard to the increasing skill being displayed by the officers in handling the traffic, there is every indication that additional traffic accruing to the line will result in appreciable augmentation of net profits, and that the margin beyond the Preferred dividends will expand. The Preferred stock is quoted in New York at 58½, at which price the yield afforded is nearly 6½ per cent. The price of the Common in London is 28½, a quotation that, in view of the fact that no dividend has ever been paid upon it, would indicate that the stock has distinct possibilities.

## CENTRAL URUGUAY RAILWAY.

### POSITION AND PROSPECTS.

ALTHOUGH the earnings of the Central Uruguay Railway Company have suffered a serious set-back in the past twelve months, there is little doubt that the Company has earned and will pay a dividend on its Ordinary stock. The amount, it is true, may not be large, but having regard to the untoward events of the year, the payment of any dividend at all, however small, will be matter for congratulation. The decline in traffic receipts was about £76,000, or 11.6%, and the total at £575,000 is the smallest since 1908-09, thus indicating the severity of the crisis through which the Company has passed. Prior to the outbreak of war the prosperity of the undertaking had received a check by reason of the financial stringency and in-

activity of trade throughout the country which commenced early in 1913, and the War naturally greatly aggravated the situation. Business for a time was almost entirely suspended, and railway earnings were reduced to a minimum. Fortunately the produce of Uruguay has been in great demand, and prices have ruled exceedingly high, so that despite many difficulties railway traffics have kept up remarkably well. In the six months January-June last the loss in earnings was under £5,000, whereas in the preceding six months the diminution was as much as £71,000. Since the end of June still better results have been secured, and in the nine weeks to the end of August the increase amounts to about £15,000, or nearly 20%. It is true comparison is being made with *post bellum* takings a year ago, but there is no doubt that a turn in the tide has set in, and that Uruguay, like Argentina, is now likely to enjoy greater prosperity than it has experienced for several years.

The question of dividend in respect of the past year depends on the ability of the Company to reduce expenditure. When the War broke out, and it was seen that railway earnings were likely to be seriously depleted, steps were immediately taken to effect economies. The train service was considerably curtailed, drastic reductions were made in the staff, and in every direction orders were given to exercise the strictest economy, and to operate the line at the lowest possible cost. The efforts thus made to reduce expenses have been eminently successful, for according to the official statement of the results of working for the first half of the year a saving of something like 50% of the falling-off in gross receipts had been effected. For the complete twelvemonth the result may be even more satisfactory, as the decline in earnings in the second half of the year was much less severe, and the larger traffic obtained has probably been more profitably handled. Moreover, the allocations for special renewals which in 1913-14 amounted to over £67,000, may be sensibly curtailed, if not entirely suspended, so that the possibilities of retrenchment are everywhere apparent. Assuming, therefore, that the Company has been able to save about £20,000 in working expenses in the latter half of the year as against £30,000 in the first six months, the reduction for the year would be as much as £50,000, or 13%, and the loss in net earnings would come out at only £26,000, or less than 10%. The saving in expenses may, indeed, be even greater than this should the Company adopt the policy of temporarily suspending its special renewal charges; but apart altogether from this consideration, and making due allowance for special renewals on a liberal scale, a saving of £50,000 in working expenses may, we think, be confidently anticipated. Miscellaneous income, moreover, may be the same as in 1913-14, and interest charges will probably show no change. The conversion of the Permanent 6% Debenture stock into 5% Debenture stock has, it is true, been effected during the year, but inasmuch as the exchange was made at the rate of £120 of the new for £100 of the old stock, the amount of interest payable is the same. On the other hand the dividend on the new issue of Preference shares made towards the end of 1913 will call for about £7,000 more than in 1913-14, and consequently the loss of profit will be about £33,000. This would reduce the balance available for the Ordinary from £74,000 to £41,000 only. However, such a sum is equal to fully 2% on the stock, so that apart from the exceptionally large balance of £55,000 brought forward from the preceding year, the Company would have no difficulty in at least paying this rate of dividend to its stockholders. In ordinary circumstances the division of profits up to the hilt is to be deprecated, but having regard to the exceptionally favourable outlook for the Company, a more liberal distribution than usual may be anticipated.

In the following table we set out the estimated results for the twelve months to June last in com-

parison with the actual earnings and profits for the four preceding years:—

	1914-15†	1913-14	1912-13	1911-12	1910-11
	£	£	£	£	£
Gross earnings ...	575,000	650,997	738,143	671,195	610,755
Expenses ...	333,000	383,368	405,766	358,636	320,610
Ratio ...	(57.91)	(58.89)	(54.97)	(53.43)	(52.49)
Net earnings ...	242,000	267,629	332,377	312,559	290,145
Miscellaneous ...	32,000	32,401	39,536	42,271	37,878
Net income ...	274,000	300,030	371,913	354,830	328,023
Permanent 6% Deb. stock ...	2,000	66,346	66,023	66,000	62,257
4% Western Extension Debs.	37,000	37,956	38,441	38,887	39,310
6% 2nd Deb. stock ...	15,000	15,000	15,000	15,000	15,000
5% Debenture stock ...	64,000	—	—	—	—
North-Eastern rent ...	56,000	56,295	59,569	58,988	57,880
Advances under guar. *	10,000	8,512	5,842	12,230	18,339
Western Exten. Railway					
Miscellaneous ...	5,000	5,269	1,296	—	—
Total charges ...	189,000	189,378	186,171	191,105	192,786
Net profit ...	85,000	110,652	185,742	163,725	135,237
Div. on 5½% Pref. shares	41,000	36,432	27,500	27,500	24,750
Profit for Ordinary	41,000	74,220	158,242	136,225	110,487
Ordinary dividend	40,000	50,000	125,917	115,917	101,792
Rate per cent. ...	(2%)	(2½%)	(6¼%)	(6%)	(5¼%)
Balance ...	1,000	21,220	32,325	20,308	8,695
Brought forward ...	54,000	29,912	12,587	7,279	8,584
Total surplus ...	55,000	54,132	44,912	27,587	17,279
To reserves, &c. ...	—	—	15,000	15,000	10,000
Carried forward ...	55,000	54,132	29,912	12,587	7,279

\* These advances are repayable out of future surplus earnings of the Western Extension Railway.  
† Estimated.

The great demand for the produce of the country at the present time and the high prices that are being obtained will enormously assist in bringing about a recovery of prosperity. It may, of course, take time for the economic situation to thoroughly right itself; but the great income which the country is now receiving for its exports must sooner or later influence the import trade, and cause a general revival of commercial activity everywhere. In the past, unfortunately, the agricultural development of the country has been sadly neglected, and Uruguay's main sources of income have been chiefly confined to pastoral industries. This, however, is being rapidly rectified, and there is little doubt that the productivity of the country in the future will show vast improvement, and that the agricultural industry will be greatly extended. As an indication of what is being done in this respect we would draw attention to the remarks of the General Manager of the Central Uruguay Railway in his last annual report. In this he referred to the establishment of a productive department, which had been placed in charge of two competent experts. The preliminary work entrusted to this department, he stated, was to ascertain the reason for the little development which had taken place during the past in the agricultural industry. After a careful study it was determined that the prime causes were the inferior seed which was used and the deficient manner in which the earth was tilled. To overcome these difficulties a high-grade seed was obtained, superior to any hitherto grown, and distributed to the farmers throughout the country free of charge. The quantity sent out was sufficient to sow some 40,000 acres, distributed to over 600 different agriculturists all over the line, and a careful record has been kept of where the same was grown, so that very valuable information is being obtained as to the best class of grain to be sown in each separate district. A Maize Exhibition has also been organised, where practical lectures are given by experts on the mode of selecting the grain for seed and on the preparation of the soil. These are being well attended, and beneficial results are bound to follow.

It will thus be seen that the vast potentialities of Uruguay are being scientifically exploited, and the filip which is being given to the commercial and industrial activity of the country by reason of the great demand for foodstuffs of all kinds will greatly help the agricultural development which is already being seriously taken in hand. The future of the Central Uruguay Railway may therefore be regarded as exceedingly pro-

mising, and although the conditions now obtaining will not last for ever, the fact that the Company is preparing for the future by aiding in the development of the country on a more extended and enlightened basis, is a hopeful augury, and should mean sooner or later a degree of prosperity not hitherto obtained. Prior to the recent set-back the progress made was undoubtedly marked, and if the present policy is continued of encouraging farmers to improve the cultivation of the land and to develop the agricultural industry of the country, still more satisfactory progress will be made in the future.

The Company's sources of revenue are varied. About one-third of the total traffic consists of passengers, and about two-thirds of goods and live stock. The growth in the passenger-train traffic in recent years may be seen from the particulars given in the following table:—

#### Coaching Traffic.

Year	No. of Passengers	Receipts from Passengers	Luggage, Parcels, &c.
		£	£
1913-14 ...	1,561,464	192,772	45,879
1912-13 ...	1,513,966	209,563	45,557
1911-12 ...	1,285,918	193,672	38,807
1910-11 ...	1,218,714	174,548	33,423
1909-10 ...	1,014,426	154,826	31,985
1908-09 ...	1,019,874	149,531	30,117
1907-08 ...	998,777	141,858	28,141
1906-07 ...	1,096,440	143,482	25,440
1905-06 ...	931,468	124,966	21,734
1904-05 ...	759,345	115,449	17,299
1903-04 ...	720,185	106,200	12,836
1902-03 ...	747,379	98,472	13,388

The nature of the freight traffic will be seen from the summary appended:—

#### Freight Traffic—Combined System.

	1913-14	1912-13	1911-12	1910-11	1909-10	1908-09
Goods	Tons	Tons	Tons	Tons	Tons	Tons
Wheat ...	71,596	105,207	106,526	73,308	70,614	118,432
Maize ...	34,189	46,247	32,176	58,306	79,892	56,171
Other grain ...	37,622	41,631	38,477	27,528	22,547	27,072
Wool and sheepskins	53,488	64,834	66,313	59,022	53,119	54,599
Building materials	189,458	251,603	168,943	250,217	237,517	168,233
Limestone ...	81,292	107,124	84,983	78,967	65,219	55,883
Hay ...	21,799	26,273	19,736	25,691	23,055	23,061
Flour ...	19,364	18,939	21,240	17,757	17,541	17,436
Posts ...	9,552	10,447	7,995	8,073	8,206	8,405
Hides and skins	9,737	9,477	13,041	13,262	20,112	15,515
General goods ...	248,023	266,768	271,635	229,983	213,153	200,494
Miscellaneous ...	67,352	90,927	41,260	16,989	17,456	16,875
Total public goods	843,472	1,039,477	872,325	859,103	828,431	762,167
Live Stock	No.	No.	No.	No.	No.	No.
Cattle ...	478,208	415,909	442,477	529,793	485,150	420,259
Sheep ...	430,607	893,461	815,204	706,682	535,907	398,332
Pigs ...	23,452	23,939	17,133	21,093	20,498	20,983
Horses ...	12,119	13,087	13,512	24,330	17,903	11,800
Total animals ...	944,386	1,346,396	1,288,326	1,281,898	1,059,368	850,462

This development of traffic was fully reflected in the Company's earnings and profits, and in the five years 1908-13 the gross receipts increased from £508,000 to £738,000, and the net earnings from £236,000 to £332,000. The growth of profit was even more satisfactory, for whereas in 1907-08 the surplus in excess of charges was only £90,000, in 1912-13 it totalled £186,000, and from 4½% the dividend was steadily raised to 6½%, the highest paid by the Company, at any rate for a good many years. The following statement of the main results of working since 1904-05 shows the progress which the Company was making prior to the unfortunate set-back two years ago:—

#### Central Uruguay Railway.

Year ended	Gross Earnings	Expenses	Ratio	Net Earnings	Net Profit	Dividend on Ord.
	£	£	%	£	£	%
June 30 1915*	575,000	333,000	57.91	242,000	85,000	2½
1914 ...	651,000	383,000	58.89	268,000	111,000	2½
1913 ...	738,000	406,000	54.97	332,000	186,000	6½
1912 ...	671,000	359,000	53.43	312,000	164,000	6
1911 ...	611,000	321,000	52.49	290,000	135,000	5½
1910 ...	577,000	288,000	49.86	289,000	133,000	5
1909 ...	557,000	287,000	51.61	270,000	122,000	4½
1908 ...	508,000	272,000	53.56	236,000	90,000	4½
1907 ...	494,000	245,000	49.61	249,000	104,000	5
1906 ...	442,000	212,000	48.06	230,000	102,000	5
1905 ...	414,000	191,000	46.03	223,000	97,000	4½

\* Estimated.

The price of the Ordinary stock is now about 60½, and were 2½ to be distributed in respect of the past year the yield afforded would be £3½ per cent. only. It is, however, to the future one has to look, and in this respect the prospects could not be brighter. The £10 5½ Preference shares are now quoted 7½, and allowing for accrued dividend a yield of nearly £7½ per cent. is forthcoming. The Debenture issues of the Company are well secured, and at current quotations form attractive purchases. The capital of the undertaking is as follows:—

*Central Uruguay Railway.*

	Amount	Interest	Price	Yield
Prem. 6%, Debenture stock	38,126	6	106	5 16 6
4% Western Exten. Deb.	247,800	4	80	5 2 6
6% 2nd Deb. Stock, Red.	250,000	6	99½	6 2 6
5% Debenture stock	1,281,192	5	84½	6 1 3
N.E. Uruguay Ordinary (£10)	40,000	7	10½	7 2 6
“ 7% Pref. (£10)	1,000	7	10½	6 16 3
5½% Preference shares (£10)	8,000	5½	7½	7 4 9
Ordinary stock	2,000,000	2	60½	3 8 8
Total...	6,115,078			

## BRAZILIAN TRACTION, LIGHT AND POWER COMPANY.

IN the circumstances a quite satisfactory result is reported by this Company for 1914, though the directors state that the results are not as satisfactory as anticipated. The year 1914 was one of general business depression in Brazil on account of the conditions, both financial and commercial. During the earlier months of the year signs were not wanting of an impending financial crisis, and the outbreak of the European war brought matters to a head. After war was declared the conditions in Brazil became very serious, and the monetary stringency was so acute that a moratorium was declared in August, which continued till the end of the year. An issue of currency made by the Government helped to relieve the stringency, but resulted in great fluctuations in exchange, the value of the milreis dropping as low as 10½d. during the second week of September. In December last we drew attention to the fact that the Company was taking advantage of the low exchange by purchasing produce and selling in New York at the higher level, and the report contains further particulars. One effect of the outbreak of war was the stoppage of the usual method of remittance by means of bills of exchange, and for several months it was practically impossible to remit money from Brazil for the purpose of the payment of coupons and dividends, and the board decided in October to remit its funds—which by that time had accumulated to a very large amount—in coffee. As the Rio de Janeiro Tramway, Light and Power Company has under charter a fleet of steamers for the purpose of carrying the coal and other material required by the companies in Rio de Janeiro and Sao Paulo, the board employed such steamers on the return journeys for freighting the coffee purchased in Brazil to the New York and European markets, and as coffee is a staple product in commerce it offered a safe, and at that time the only practical, means of remitting the Company's funds. Up to the end of the year there had been purchased and shipped from Rio de Janeiro and Santos 278,400 bags of coffee, to the value of 11,695 contos of reis, which was disposed of in New York at prices enabling the Company to net an average of 13½d. per milreis, a rate in excess of the average rate of exchange during the same period, even if it had been possible to buy bills for such a large amount of money.

The financial stringency and other adverse conditions in Brazil was reflected by the Brazilian Traction Company, but notwithstanding bad business conditions the gross income of the combined companies in Brazilian currency has shown an increase over the previous year, while the revenue in gold has, of course, been unfavourably affected by the drop in exchange.

The late President of the Company, Dr. F. S. Pearson, lost his life on the *Lusitania* in May last. While on board he prepared a report on the operations and finances of the subsidiary companies during 1914, and the report was subsequently found and is incorporated with the present accounts. The operations of the Company are dealt with under three divisions.

### RIO DE JANEIRO DIVISION.

Attention is drawn to the fact that the business conditions in general were unfavourable during 1914, the contributing causes being two—(a) The financial situation of Brazil has been disturbing. Negotiations with certain European bankers for a loan to the Government were in progress, but were indefinitely suspended on the outbreak of war. The money stringency became very acute, and the factories began to run on short time, and in many instances suspended operations completely. Imports fell off rapidly, and general business was affected by this lack of money and feeling of uncertainty; and (b) the European situation naturally caused very serious difficulties for general business, and the conditions became still more acute during the latter half of the year, this state of affairs continuing up to the end of the year. These unsatisfactory conditions affected the business in many ways, but notwithstanding this the net revenue in gold shows an increase over last year. The only department which failed to show an increase in gross earnings in Brazilian currency during the year was the tramways, whose receipts fell off, due to the general business depression throughout the city. The gas and telephone departments have to record an increase in operating expenses, due to the higher price of coal and other materials and the additional expenses of war risk, insurance, &c.; but the expenses of operation of the tramway and light and power departments have shown decreases. The business of the light and power departments has shown a very satisfactory increase for the year, notwithstanding the unfavourable conditions, the incandescent lamps having increased from 683,937 at the end of 1913 to 766,038 at the end of 1914, an increase of 12% for the year. The increase in the power load has also been satisfactory, considering the fact that industrial conditions have been bad. The telephone service was also affected by the general business depression. Nevertheless, there was an increase in the gross income of this department in gold of 7.6% over the previous year. Notwithstanding the continual growth in the electric light department the gas service also continues to show an increase in its business. The total sales of gas for 1914 amounted to 26,773,419 cubic metres, as against 25,242,332 cubic metres for 1913. Herewith we append statistics of the tramway, electric light and power and gas services of the Rio de Janeiro division:—

Tramway Services—		1914	1913
Miles of track	...	236.68*	236.79
Electric passenger cars	...	525	493
Trailer passenger cars	...	151	450
Freight cars, electric	...	69	68
“ trailers	...	134	134
Corcovado passenger cars	...	3	3
“ locomotives	...	3	3
Miles run, all cars	...	24,815,078	24,814,760
Total passengers carried	...	192,102,635	195,783,634

\* Decrease due to rearrangement of track in bays and yards.

Electric Light and Power Services—		1914	1913	1912	1911	1910
Incandescent lamps	...	766,038	683,937	419,413	288,985	173,417
Arc lamps, public	...	8,736	8,660	6,929	5,597	3,522
“ private	...	2,149	2,161	2,155	1,926	1,730
H.P. motors	...	71,721	63,539	58,288	51,064	36,221
Consumers, light	...	34,563	26,927	17,828	11,462	6,806
“ power	...	2,105	1,865	1,632	1,297	881

Gas Service—		1914	1913	1912	1911	1910
Cubic metres	...	35,044,800	32,757,800	30,935,400	31,708,360	30,483,100

### SÃO PAULO DIVISION.

The industrial depression in Sao Paulo has been more marked than in Rio de Janeiro, consequently this division shows a greater proportionate decrease in revenues than the Rio de Janeiro division. This is partly due to the fact that, in relation to their respective areas and population, there is a greater number of manufacturers in the city of Sao Paulo and its imme-

diate vicinity than in Rio de Janeiro. Notwithstanding these adverse circumstances there has been an increase in the number of customers for power during the year; but the h.-p. load connected at the end of the year has decreased by about 10%, and the amount of power supplied suffered a corresponding decrease. On the other hand there has been a considerable increase in the lighting department, the incandescent lamps having increased from 175,395 at the end of 1913 to 215,953 at the end of 1914. Herewith we give particulars of the working of the tramway and electric lighting and power systems of the Sao Paulo Division:—

Tramway Service		1914		1913	
Miles of track	...	...	143.12	...	141.4
Electric passenger cars	...	...	317	...	317
Trailer passenger cars	...	...	57	...	69
Freight cars, electric	...	...	55	...	51
" " trailers	...	...	32	...	33
Miles run, all cars	...	...	9,496,091	...	9,344,880
Total passengers carried	...	...	53,732,292	...	56,776,702

Electric Light and Power Service—		1914	1913	1912	1911	1910
Incandescent lamps	...	215,953	175,395	124,064	96,011	74,302
Arc lamps	...	2,121	2,453	1,986	1,847	1,688
H.-P. motors	...	30,240	33,104	27,841	21,886	16,172
Consumers, light	...	16,386	12,148	8,245	6,196	5,343
" power	...	1,321	1,271	1,045	737	535

### SAO PAULO ELECTRIC.

This division was affected in a similar manner to the Sao Paulo division as regards the depression in Sao Paulo. During the year a new hydro-electric plant was completed and put into operation. By its power contract with the Sao Paulo Tramway, Light and Power Company, Limited, to supply 15,000 h.-p., the Company is assured a regular income from this source, and in addition has contracts for supplying light and power to the town of Sorocaba and several other municipalities in the districts served by the Company.

### BRAZILIAN TRACTION RESULTS.

The revenue of the Brazilian Traction Company from the securities owned and under contracts with subsidiary companies has amounted to \$7,523,696 for 1914, which was increased by interest on advances to subsidiary companies to \$8,058,813. General expenses and loan interest absorbed \$392,281, leaving a surplus available for dividends of \$7,666,532. The 6% Preference dividend was paid, and a similar rate distributed on the Common stock, leaving a surplus of \$809,413, which, added to the sum brought forward, gives a total carry-forward of \$3,822,411. We show the results for the year 1914 herewith, and add the corresponding figures for the eighteen months to the end of 1913:—

	12 Mos. to Dec. 31, '15.	18 Mos. to Dec. 31, '13.
Revenue from securities owned, &c.	\$ 7,523,696	\$ 11,266,138
Interest on advances to subsidiary companies...	535,117	256,698
Total income	8,058,813	11,522,836
General expenses	392,281	324,343
Net profit	7,666,532	11,198,493
Preference dividend	600,000	450,000
Dividend on Common shares	6,257,119	7,735,495
Surplus	809,413	3,012,998
Brought forward	3,012,998	—
Carried forward	3,822,411	3,012,998

The total share capital in issue at the end of 1914 amounted to \$116,217,500. There were bank loans and advances amounting to \$4,967,948. Out of the total assets, valued at \$126,896,728, capital expenditure absorbs \$109,013,798. Herewith we set out particulars of the liabilities and assets as at December 31, 1914:—

### Balance Sheet as at December 31, 1914.

LIABILITIES.		ASSETS.	
	\$		\$
Issued share capital	116,217,500	Capital expenditure	109,013,798
Bank loans and advances	4,967,948	Payments to subsidiary companies	7,500,000
Bills payable	973,333	Advances to subsidiary cos.	6,261,189
Accounts payable	915,537	Accounts receivable	525,215
Profit and loss	3,822,410	Coffee	2,810,215
		Cash in hand	786,011
	126,896,728		126,896,728

During 1914 further outstanding shares of the subsidiary companies were acquired, and a large controlling interest was secured in a telephone company carrying on business throughout the State of Sao Paulo, the deal going through on a share exchange basis. It is hoped that with the revival of normal business conditions the revenues of all the subsidiary undertakings will show very material improvement. As a matter of fact, the combined earnings for the first six months of 1915 show an increase in gross of 1,104,032 milreis, so that it is evident that even in a time of depression the Company is able to make headway, and it may fairly be assumed that with a return of normal business conditions to the country the revenue accounts of the various subsidiary companies would soon respond and a still further improvement in results be secured. The Ordinary shares give a yield of about 12½%, and the Preference shares about 7¼%. The former are, of course, of a speculative character, but to investors who are prepared to run a certain amount of risk the high yield afforded will doubtless be rather tempting.

Amount \$	Description	Par \$	Price	Div. %	Yield £ s. d.
10,000,000	6% Cum. Pref.	100	83½	6	7 5 11
106,217,500	Ord. shares	100	47½	6	12 10 7

### HIGHLANDS AND LOWLANDS RUBBER.

For 1914 the Highlands and Lowlands Para Rubber Company, Limited, had an area of 4,164 acres planted with rubber and a crop of 1,137,858 lb. secured, as against the estimated crop output of 1,152,500 lb. The average gross price received per pound was 2s. 3.53d. After deduction of freight, insurance, &c., absorbing 1.48d. per lb., the average net sale price worked out at 2s. 2.05d. The cost per pound of production, transport, sale, &c., "all in," worked out at 11.12d., of which the cost of production f.o.b. Port Swettenham worked out at 9.29d. The profit secured amounted to £130,500, as against £142,301. After providing for expenses there was a balance of £75,426, which enabled a dividend of 24% to be paid, as against 25% for 1913, while a sum of £5,000 was carried to reserve and the carry-forward increased by £1,876 to £11,196.

Details of the profits for each of the past six years are appended:—

### Highlands and Lowlands.

	Year ended Dec. 31—1914	1913	1912	1911	1910	1909
Cultivated area (acres)	4,164	4,211	3,963	3,893	3,760	3,108
Crop	1,137,858	1,058,416	900,908	633,024	511,724	346,259
Av. gross price (per lb.)	2 3.53	2 8.26	4 6.25	5 1.5	7 7½	7 3½
Cost	11.12	1 2.24	1 6.84	1 8.3	—	—
Net	1 4.41	1 6.02	2 11.41	3 5.2	—	—
Profit	130,500	142,301	188,794	150,888	182,951	126,911
Other income	6,346	6,982	6,431	9,741	11,200	5,471
Expenses	61,420	70,205	58,782	44,723	28,103	18,720
Ordinary dividend	75,426	79,078	136,441	115,906	166,048	113,662
Reserve	68,550	72,860	116,205	108,783	153,884	106,421
Brought forward	1,876	—3,782	5,236	—2,877	—2,836	7,241
Carried forward	9,320	13,102	7,866	10,743	13,579	6,338

The cost of tapping and scrapping (including the cost of tools and cups) and the average output of dry rubber per tree per annum were as follows:—

	Cost of Tapping, &c. Per Lb.	Average Output Lb.
Highlands division	2.77d.	343 per acre
Batu Unjor division	2.25d.	356 "
Midlands division	2.14d.	253 "

It may be added that at the end of 1914 the total area of the estates of the Company was 8,185 acres;

of this 4,164 acres were planted, and 3,670 were in bearing. Particulars of the estate are appended:—

	Highlands and Lowlands Division	Ratu-Upper Division	Midlands Division	Whole Estate
	Acres	Acres	Acres	Acres
Planted area ...	1,247	1,066	1,851	4,164
Unplanted area ...	1,926	1,331	1,664	4,921
Total area ...	2,273	2,397	3,515	8,185
Area in bearing ...	1,179	1,010	1,460	3,670

The estimated output of dry rubber for last year was 1,152,500 lb., the amount harvested being as follows:—

	1914	1913	Inc or Dec.
	Lb.	Lb.	Lb.
Highlands and Lowlands division ...	400,443	418,985	-18,542
On the Ratu-Upper Division ...	359,338	331,716	+27,622
On the Midlands division ...	378,957	307,685	+71,272
Making a total output of ...	1,137,858	1,058,416	+79,442

The authorised capital of the Company is £350,000, in £1 shares, and 309,481 shares were in issue at December 31 last. The reserve fund amounted to £50,000, and this has been increased to £55,000 by a transfer from the profits of 1914. The total assets are valued at £435,439, of which the estate cost stands at £192,276, while the sums spent on opening and maintenance of undeveloped portion of estates amounted to £116,905. The following shows an abstract of the liabilities and assets as at the end of 1914:—

LIABILITIES	£	ASSETS	£
Issued capital ...	309,481	Cost of estate ...	192,276
Bills payable ...	4,195	Maintenance ...	116,905
Creditors ...	16,229	Buildings and machinery ...	26,736
Reserve ...	50,000	Investments ...	36,018
Profit and loss ...	61,534	sundry debtors, &c. ...	1,631
		Balance of crop ...	46,130
		Cash ...	15,743
	435,439		435,439

The estimated output of rubber for the year 1915 was given in the report as 1,240,400 lb., but the Company lost several trees in the spring through a violent wind storm, and the result is that the estimated production has been reduced by 122,000 lb., making it 1,118,000 lb., or rather less than the actual crop for 1914. For the first seven months of the year the crop has reached 616,321 lb., so that it would appear that the total output is likely to approximate very closely to the estimate. It can scarcely be anticipated that any reduction is likely in the cost of production of 11d. per pound "all in," but as an average price of about 2s. 3½d. per pound is anticipated for the crop, the profit for the current year seems likely to be in the neighbourhood of that secured for 1914, namely, £75,000, which naturally would permit of a repetition of the dividend of 24% and the carrying of a substantial sum to the reserve fund.

Altogether the dividend record is a satisfactory one, as may be seen from the following statement:—

Year ended	Div.	Year ended	Div.
Dec 31	%	Dec 31	%
1914 ...	24	1909 ...	23
1913 ...	25	1908 ...	15
1912 ...	40	1907 ...	12½
1911 ...	57½	1906 ...	11
1910 ...	50		

The present price of the £1 share is 2½, at which figure, on the basis of a 24% dividend, a yield of 11¾% is forthcoming.

## MORTGAGE AND DEBENTURE COMPANY.

THE profits made by this Company show very little fluctuation, and for the last five years they have ranged about £53,000 per annum. For the twelve months to March 31, 1915, they amounted to £53,215, as compared with £52,893 for the previous year. We may recall to our readers that the Company dates back to June 1897, when it was formed to take over the business of the Farmland Mortgage and

Debenture Company, which consisted of advancing money, chiefly in the United States of America, on first charges on real estate or other securities, and it will doubtless be desirable to indicate more fully the further manner in which the Company employs its money. In addition to the mortgages on land the Company lends money on special assessment vouchers or city improvement warrants of large towns in the States. These warrants are first charges by way of special taxes imposed by municipal authorities on real property, and are issued to contractors to provide payment for street improvements, such as drainage, paving, &c. The councils in each town appoint commissioners to examine the districts to be improved, and to levy a tax by special assessment of the adjacent property that will be benefited by the improvement. These specially assessed taxes are, like all Government taxes, a first charge on the freehold land and buildings assessed, taking priority over any mortgage, and the property securing them will be in every instance worth many times the amount of the tax. To ensure that the burden of this taxation shall not fall too heavily in any one year on the property owners, the taxes are made payable in annual instalments, the deferred instalments carrying interest against the property owners. As no cash is immediately payable in respect of such specially assessed taxes, the municipal authorities issue to contractors city improvement warrants, payable out of the fund raised by the taxes above described, for work actually completed. Contractors are compelled to sell their warrants in order to provide cash for carrying on their business, and the Company has invested in this way money amounting in the aggregate to over £2,750,000.

The Company's career has been one of steady prosperity; and it may be added that it came unscathed through bad times which proved disastrous to other companies calling themselves mortgage companies which were not conducted on so conservative lines as the Mortgage and Debenture Company.

The first mortgage loans on land at March 31 last represented a total investment of £635,000, secured upon property appraised at the value of £2,335,473, spread over 2,694 farm loans covering 446,467 acres. This gives an average of £225 5s. 4d. for each loan and an average acreage covered of 165.72, the average valuation per acre of mortgage working out at £5 4s. The average rate of interest secured was just over 6.52%, as compared with 6.51% for the previous year, and the amount loaned represented a proportion of 25.99% of the appraised value of the security.

We set out the particulars of the mortgages for the last 16 years in the following table:—

Year ended	Average Acreage Covered by each Loan.	Average Amount of each Loan.	Average Valuation per Acre of Mortgage.	Average Amount Loaned on each Acre.	Average Percentage of Amount Loaned to Value of Security.	Average Rate of Interest Charged.
March 31	Acres.	£ s. d.	£ s. d.	£ s. d.	%	%
1915 ...	165.72	225 5 4	5 4 0	1 7 2	25.99	6.52
1914 ...	164.22	218 18 9	5 2 5	1 6 8	25.79	6.51
1913 ...	162.74	212 17 1	5 2 8	1 6 2	25.34	6.51
1912 ...	163.76	203 16 5	4 18 10	1 4 10	25.06	6.53
1911 ...	163.84	190 8 4	4 13 11	1 2 1	24.63	6.54
1910 ...	162.60	176 15 6	4 8 10	1 1 8	24.35	6.56
1909 ...	162.89	169 7 8	4 5 5	1 0 9	24.21	6.56
1908 ...	163.09	162 19 1	4 2 3	1 0 0	24.14	6.57
1907 ...	161.94	163 3 3	4 3 5	1 0 2	23.99	6.53
1906 ...	159.63	168 2 8	4 3 4	1 1 0	25.06	6.51
1905 ...	158	170 14 3	4 3 1	1 1 7	26.08	6.51
1904 ...	159	176 9 9	4 3 8	1 2 2	26.54	6.61
1903 ...	157	182 17 0	4 4 0	1 3 3	27.62	6.57
1902 ...	158	192 14 7	4 4 4	1 4 4	28.70	6.65
1901 ...	157	209 6 2	4 9 11	1 6 7	29.34	6.70
1900 ...	154	187 15 4	4 7 4	1 4 3	27.74	6.72

For each of the past three years the distributions have been 5½% on the Preference shares and 17½% on the Ordinary shares.

In the following table we show the profits made by the Company for each of the past six years and the manner in which they have been distributed:—

	Year ended March 31—1915	1914	1913	1912	1911	1910
	£	£	£	£	£	£
Gross income ... ..	53,216	52,893	53,733	53,292	52,724	54,997
Sundry expenses ... ..	12,365	11,742	11,995	11,505	11,362	11,546
Deb. stock int. (4½%) ...	20,611	20,613	20,672	20,977	20,977	20,977
Net profit ... ..	20,239	20,538	21,066	20,810	20,385	22,474
Prof. dividend ... ..	16,500	16,500	16,500	15,000	15,000	16,500
	(5½%)	(5½%)	(5½%)	(5%)	(5%)	(5½%)
Ordinary dividend ... ..	3,500	3,500	3,500	2,000	2,000	3,500
	(17½%)	(17½%)	(17½%)	(10%)	(10%)	(17½%)
Reserve fund ... ..	—	—	1,000	4,000	3,500	2,500
Balance ... ..	239	1,538	66	—190	—115	—26
Brought forward ... ..	1,067	529	463	653	1,768	794
Carried forward ... ..	1,306	1,067	529	463	653	1,768

There is now outstanding £500,000 of 4½% First Mortgage Debenture stock, £300,000 of 5% Cumulative Preference shares, and £20,000 of Ordinary shares. The reserve fund amounts to £58,500. The total assets are valued at £895,852, of which mortgages, stocks, &c., stand in at £820,745. The following is a summary of the liabilities and assets as at March 31 last:—

LIABILITIES.		ASSETS.	
	£		£
Issued share capital ... ..	320,000	Cash ... ..	4,945
4½% 1st Mort. Deb. stock ...	500,000	Mortgages, stocks, &c. ...	820,745
Reserve ... ..	58,500	Investment of reserve ...	13,480
Sundry creditors ... ..	3,346	Interest on mortgages, &c. ...	35,092
Profit and loss ... ..	14,006	Real estate ... ..	8,208
		Foreclosure ... ..	11,829
		Tax, purchase, &c. ... ..	1,653
	895,852		895,852

The 4½% Debenture stock is secured by a fixed charge on the uncalled capital and by deposit with trustees of first charges on bonds on real estate or other security for sums equal in the aggregate to the amount of the Debenture issue. The valuation of the deposited bonds and of the security is made every three years, and any deficiency has forthwith to be made good. The stock is redeemable at the Company's option at 105%, on or after September 30, 1916, at par, on three months' notice. The present price of the stock is 70½, so that a yield of practically 6½% is afforded. The Preference shares are of £10 each, and may be obtained at about 6½, which, on the basis of 5½% dividend paid, gives a yield of nearly 9½%. The surplus behind the dividend is comparatively small, but there is no doubt whatever of the ability of the Company to maintain the 5% dividend to which the shares are entitled, while shareholders should be able to count on a fairly regular distribution of 5½%, the extra ½% ranging *pari passu* with the bonus on the Ordinary shares. The Ordinary share capital consists of 20,000 shares of £10 each, on which only £1 per share has been called up; but the public is not interested to any extent in these shares, as they are practically all held by the directors and their friends. At the meeting in June last Mr. W. B. Close, the Chairman of the Company, stated that the accounts were convincing evidence once more of the truth that carefully selected real estate securities in the United States, particularly farm mortgages and special assessment vouchers, are among the safest and best investments that can be found in the world. During the 28 years of the existence of the Company and its predecessor severe financial crises have occurred, and in every case the inherent stability of the values of American real estate securities has been abundantly proved. The twelve months to March 1915 proved a year of trial of much greater intensity than had previously occurred, and the balance sheet shows that, in spite of the tremendous financial strain that had to be faced in the United States, as elsewhere, in the opening months of this terrible War, the Company has borne the strain with ease. Herewith we append details of the price of the securities:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
500,000	4½% Reg. 1st Mort. Deb. stock...	100	70½	4½	6 4 7
300,000	5% Cum. Preference shares ...	10	6½	5½	9 2 0
20,000	Ordinary shares, £10 ...	1	—	17½	—

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## Insurance Notes.

### ROYAL EXCHANGE ASSURANCE.

In addition to its life assurance business, in the profits of which the policyholders are the principal participants, this Corporation, which has been in existence for nearly two centuries, transacts fire, marine, accident, and miscellaneous insurance. Of these commercial sections, the most important, measured by premium income, is the fire department. The Company's fire premium income in 1914 amounted to £856,038, showing a decrease of £27,949 as compared with that reported for 1913, and after adjustment of the reserve for unexpired risks the fire operations seem to have produced a profit of £33,579, of which £28,502 is due to trading, while £5,077 represents net interest earnings. The trading profit is less than half what was shown in the 1913 account, yet in a review of that account in these columns on September 26, 1914, it was pointed out that the surplus in that year was less than was usual in a non-conflagration year. The trading profit in 1914 represents only about 3.3 per cent., or, say, one-thirtieth of the premiums. The experience of last year was not very satisfactory to fire offices generally, but the result in the Royal Exchange even under these circumstances seems disappointing. It must be remembered that big conflagrations have to be faced from time to time, and in years that are free from these disturbances it is desirable that substantial contributions out of profits should be set aside to meet them when they arise.

The marine premiums, increased by £63,072, amounted to £359,008, and the working of this account seems satisfactory. The sum of £20,000 was transferred to profit and loss account, of which £3,923

represents interest earnings, so that a trading profit of £16,077 was taken into account. But the marine fund, amounting at the close of the year to £309,524, is increased by £58,284, which it will be seen is only short of the increase in premiums by £4,788, so that it looks as if a considerable amount of trading profit has been employed in this case in strengthening the departmental reserve.

An excellent result is shown in the general accident revenue account, which relates to employers' liability, personal accident, third party, burglary and fidelity guarantee business. The premiums in this section, decreased as compared with those of 1913 by £20,035, amounted to £262,013, and after adjustment of reserve for unexpired risks the sum of £46,283 is transferred to profit and loss account, of which £5,139 represents interest earnings. Consequently, the trading profit of the department for the year seems to have amounted to £41,144, or to about 15.7 per cent. of the premiums, which is a very satisfactory proportion.

The Company acts as trustee and executor of estates, and in 1914 received fees of £5,046 for doing so. After payment of expenses the balance of £1,525 was transferred to profit and loss.

Interest, dividends, and other receipts not departmentally credited amounted to £53,835, and, on the other hand, expenses of £28,215 were charged to profit and loss account.

Profits from the life department are computed at quinquennial dates, the next of which is December 31, 1915, so that no contributions from this section were available last year.

Summarising the above results, we find that the net profits taken into account for 1914 amounted to £127,007, as follows:—

<b>(1) Trading profits—</b>				
Fire department	...	...	...	£28,502
Marine department	...	...	...	16,077
General department	...	...	...	41,144
Trustee and executors	...	...	...	1,525
				<hr/> £87,248
Less expenses charged to profit & loss account				28,215
				<hr/> £59,033
<b>(2) Interest earnings—</b>				
Fire department	...	...	£5,077	
Marine department	...	...	3,923	
General department	...	...	5,139	
Profit and loss account	...	...	53,835	
				<hr/> 67,974
				<hr/> £127,007

The balance of profit and loss account brought forward from 1913, after provision of full dividend for the year, was £539,471. Adding the profits of 1914, the available total in this year's account was £666,478, which has been disposed of as follows:—

<b>(a) In a dividend of 10 per cent. on the capital stock of £689,220, the same rate having been declared last year. It will be seen that it is very nearly covered by interest earnings alone, the amount required for its distribution being</b>			
...	...	...	£68,922
<b>(b) In provision for depreciation in investments and losses owing to the War</b>			
...	...	...	135,000
<b>(c) In thereafter carrying forward in profit and loss account to 1915...</b>			
...	...	...	462,556
			<hr/> £666,478

Apart from capital, life and cognate funds, the reserves carried forward to 1915, after provision for dividend, appear to be as follows:—

Balance of profit and loss account as above (also described as general reserve fund)			
...	...	...	£462,556
Fire fund	...	...	392,415
Marine fund	...	...	309,524
General accident fund	...	...	£187,588
Less estimated liability in respect of outstanding claims	...	...	82,783
			<hr/> 104,805
			<hr/> £1,269,300

The total premium income in the fire, marine and general departments amounted in 1914 to £1,477,059, and the above reserves represent about 86 per cent. thereof. At the close of 1913 the corresponding proportion was about 89.7 per cent.; but it has to be borne in mind that a large amount was applied last year to depreciation in the value of shareholders' investments.

Dividends in this Company for a long series of years preceding 1905 were at the rate of 14 per cent. The chief reason for the subsequent drop in dividends was the weakening of the reserves, through a sum of over £600,000 being paid in claims arising from the San Francisco disaster. Since then the reserves have been gradually increased, but until they reach a substantially higher standard an increase beyond the present rate of dividend would appear to be improbable.

The main features in 1914 of the Company's life business, which has shown activity in recent years, are as follows:—Policies for £989,511 were completed, of which £181,000 was reassured, the net retention being £808,511. This is less by £182,281 than the retention in 1913, but its amount seems satisfactory, looking to disturbance of business owing to the War. Less than 5 per cent. of the net new business represented policies effected outside the United Kingdom. The total net life premium income, increased by £7,165, amounted to £367,540, of which expenses of management, inclusive of commission, absorbed about 14.7 per cent. Claims by death, amounting to £246,786, are reported to have been approximately the same as the amount expected on the basis of the mortality tables employed for valuation purposes. They exceeded the corresponding claims paid in 1913 by £53,471. Probably war losses are partly responsible for the increase in this item. Claims for £48,873 matured by survivorship. A sum of £90,000 was applied as provision for depreciation in the investments appertaining to the life fund. The life assurance fund, increased by £29,917, amounted on December 31, 1914, to £3,710,243, and the net interest yield, after deduction of income tax, is reported as £4 0s. 1d. per cent., as compared with the valuation assumption of 3 per cent. At the last quinquennial valuation the reversionary bonuses declared were at the compound rate of 28s. per cent. per annum. The results of the valuation at the close of 1915 in this, as in other life offices, must to a large extent depend upon the values of Stock Exchange securities.

The annuity account shows that a sum of £69,437 was received as consideration for new contracts, that annuities of £95,835 were paid, and that the annuity fund was increased by £2,938 to £917,184.

Capital redemption premiums amounted to £30,381, and the relative fund at the close of the year to £113,410.

The balance sheet on December 31, 1914, shows that the total assets of the Corporation amounted to £7,307,657. The Stock Exchange investments were valued at or below the mean market prices on December 31, 1913, those acquired subsequently standing at or below cost price, in each case less accrued interest and dividends.

**BANCO ESPAÑOL DEL RIO DE LA PLATA.**—Final dividend of 2 per cent. for the half-year ended June 30, 1915, making 4 per cent. for the year.

**COMMONWEALTH BANK OF AUSTRALIA.**—It is announced that the balance sheet for the half-year ended June 30, 1915, as verified by the Auditor-General for the Commonwealth, shows a net profit of £25,788, as compared with £8,093 at June 1914. In the twelve months the Savings Bank deposits have increased from £4,645,268 to £7,420,647, and the total figures of the balance sheet from £9,773,690 to £16,768,466.

**WILLIAMS DEACON'S BANK, LIMITED.**—The board announce the following changes as from 1st prox.:—Mr. Reginald Thomas Hindley, the present Assistant General Manager, is appointed Joint General Manager, in association with Mr. Craig. Mr. John Moodie, now Manager of the Manchester (Mosley Street) Office, succeeds Mr. Hindley as Assistant General Manager. Mr. Harold Bradburn, recently Manager at Sheffield, becomes Manager of the Manchester (Mosley Street) Office.

## WILLOUGHBY'S CONSOLIDATED.

THE initial Willoughby's Syndicate, which was formed in 1892, some time after its formation watered its capital by giving 10 £1 shares for each old share of the same denomination, and for an extended period "Willoughby's" was the *doyen* Company of the Rhodesian group. In the early days the policy was adopted of passing over areas to subsidiary undertakings, the Company retaining control of such subsidiaries. High hopes were professed of the ability of the subsidiary companies to quickly enter the stage of large profit results. These hopes were successively either marred or proved to be erroneously based. As the Willoughby's Consolidated became the holder of large quantities of the shares of the companies that had been formed, consequent on the numerous disappointments it got into deep water, and in 1909 it was found necessary to reduce the capital by half. This was done by the substitution of a share of 10s. for the former £1 share.

Many of the properties of the subsidiary companies have had to be reincorporated into the assets of Willoughby's Consolidated, and in large part the shares of the companies whose properties were not reincorporated have hugely depreciated, owing to disappointments as to the character of properties or general inability to obtain adequate profits.

It may be pointed out that the balance sheet of the Company issued to the shareholders this week shows that at December 31 last the shares in subsidiary and other Rhodesian companies, "at the price at which they stand in the books," amounted to a value of £251,889; but this value is after writing off £75,000 derived from appropriation from a reserve that had been built up to £100,000, and is now consequently reduced to £25,000. Apropos of this large asset, it is to be noted that the shareholders are uninformed as to what shares are held. In a general way they have the knowledge that a variety of different shares are possessed, but detail and quantities are not disclosed. The Company is understood to have interests in the Gaika group, a long-standing interest in the Surprise Gold Mining Company, and the shares of several other companies. Its most recently acquired interests have been in respect of the Connemara and the Eileen Alannah companies. Beyond this asset of, say, £251,000 there is property—land, stands, mining claims, &c.—figuring in the balance sheet for £553,000; also there figures as an asset £115,000 owing to the Company, in the main by subsidiary and allied companies to whom it has lent money. The grand aggregate of assets is in round figures £1,000,000. On the other side of the accounts there is the issued share capital of £700,000, a total of some £190,000 of Debentures, £54,000 due to creditors, a reserve account of £25,000, a suspense, &c., account of about £21,000, some £23,000 of unappropriated profit balance, and other small items.

A contrast of nominal assets with market quotation raises the point of why a price of 4s. 6d. is witnessed for the 1,400,000 issued 10s. shares? The explanation doubtless lies in the long-continued futile attempts to obtain net income commensurate to the amount of capital locked up, and the uncertain value of the land and mining properties.

As a land undertaking the Company controls 1,263,000 acres of ground, some forest lands, some gold farms, some agricultural, &c., land; it holds a large number of town sites, and at December 31, 1914, still remained the holder of 2,556 gold claims—a diminution of approximately 1,900 claims compared with the claims held in 1897, the balance having been either passed over to subsidiary companies or abandoned. In the year 1914 the Company abandoned 260 claims.

As to the gold properties, the gross results have lately been poor, both in respect of the properties the Company directly operates and those which it leases

out on royalty. A comparison of mining and land, also mining, results for recent years is given below:—

Mines Worked by Co. and Royalties				Lands and Farms		
Gross Receipts	Expenditures in Rhodesia		Total	Gross Profit	Receipts	Gross Profit
	Costs	Eng'ring			Costs	
£	£	£	£	£	£	£
1910...57,428	42,296	5,528	47,824	9,604	13,978	4,775
1911...53,926	42,089	4,820	46,909	7,017	22,766	6,584
1912...38,124	25,423	4,052	29,675	8,449	18,940	7,182
1913...36,133	29,094	5,443	34,537	656	21,702	7,142
1914...33,643	24,772	3,034	27,806	5,857	24,856	7,763

The above costs do not include London administration and proportions of sundry outlays.

Mines Worked by Company				Mines Leased—Royalties Paid to Company		
Tons	£	Per Ton	Tons	£	Per Ton	£
1910 ... 21,491	48,462	45/0	48,853	71,445	29/3	10,011
1911 ... 44,044	63,580	29/0	42,630	52,569	24/7	6,141
1912 ... 15,670	32,576	41/8	4,655	53,087	21/7	5,460
1913 ... 17,918	27,717	36/6	46,216	44,449	19/2	3,475
1914 ... 15,391	32,210	41/3	53,186	37,116	13/11	1,433

As to the most recent investments made by the Company, to which we have above referred—namely, the Connemara and the Eileen Alannah mines—the report issued in respect of the year 1913 referred to both these companies as on the point of an early entry into the stage of production. The report issued this week is, however, silent as to what is the position of these two undertakings.

We may conclude by a contrast of the profit and loss statement and appropriation accounts of each of the past two years:—

	1914	1913
<b>Receipts—</b>		
Mines revenue and royalties ...	£3,643	£8,193
Land and farm revenue...	24,866	23,702
Rents from buildings and stands ...	7,112	7,292
Profits from investments realised ...	1,948	8,886
Interest and dividend s... ..	1,454	4,311
Sundry receipts ... ..	1,150	413
	70,173	80,797
<b>Expenditures—</b>		
Mines expenses ... ..	24,772	27,095
Farm expenses ... ..	7,763	7,742
Stand expenses and taxes ... ..	2,117	2,494
Depreciation ... ..	1,327	832
Bad debts ... ..	143	345
*London administration, &c. (net) ... ..	6,567	6,631
*South African administration (net) ... ..	7,992	9,743
Debenture interest ... ..	9,644	10,190
Balance, profit ... ..	9,848	15,725
	70,173	80,797
* Net after deduction of fees received from subsidiary companies.		
<b>Appropriation—</b>		
Balance profit ... ..	9,848	15,725
Balance brought forward ... ..	22,335	33,189
	32,183	48,915
Income tax ... ..	889	1,580
Written off property and claims ... ..	—	5,000
To reserve account ... ..	8,502	20,000
Carried forward... ..	22,792	22,335
	32,183	48,915

## COPPER.

THE European statistics of copper in these days are only a part of the position dominating price movement, and a small part at that. Sight must not be lost of the great factor of steadily increasing world's output, particularly in respect of American and of South American new entrants as producers. The large outputs of the Anaconda, Utah, Chino, Ray, and other American porphyry mines, and the looming addition to the output by the Chile Company, are more than making good the extra consumption consequent on war.

Messrs. Merton and Company's figures as to the European statistical position at dates given have been as under:—

	1915			
	August	July	June	May
	Tons	Tons	Tons	Tons
Stocks, England and France ...	29,564	29,513	27,293	22,742
Alto, Chile and Australia ...	4,550	5,600	5,625	6,225
Stocks, Holland and Germany*	5,123	5,123	5,123	5,123
" other European ports ...	500	500	500	500
Total ... ..	39,737	40,736	38,541	34,090
Supplies, England and France ...	29,519	28,629	32,136	46,032
Deliveries ... ..	30,518	26,334	28,185	43,429
Price (standard) end of period ...	£68 12s. 6d.	£71 5s.	£81 15s.	£79 2s. 6d.

\* German and European stocks, other than Holland, assumed same as for July 1914 each month since.

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Chief Office - CORNHILL, LONDON.

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## ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £20,409,644

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## Commercial.

### WOOL OUTLOOK.

#### THE COMING LONDON SALES.

NEXT Tuesday will see the opening of the sixth series of Colonial wool sales for the current year, and already the eyes of the trade are turned in the direction of Coleman Street Wool Exchange. The auctions are being looked forward to with considerable interest, for everybody realises that a good deal is at stake. We see the Importers' Committee, in conjunction with the selling brokers, have arranged for a four weeks' course. We understand that the warehouse-

keepers in the city could not stage more than 8,500 bales per day, and we see that 10,000 bales are to be catalogued almost daily. No lesson was clearer in connection with the last series than that the long-drawn-out auctions led to a decline in values, and we strongly contend that it is against the interests of the trade, importers, sellers, and buyers for the industry to be faced with a four weeks' series. The financial state of the market is such to-day that it would be infinitely better if a series could be held once every month, lasting, say, for two weeks, and, unless we are greatly mistaken, it will finally come to that before long, especially in view of the new clip from New Zealand.

There is little to-day that needs saying regarding the list of arrivals. No less than 192,000 bales are available, and these are practically divided between merinos and crossbreds.

The interval has been one of the most remarkable of the year, and we regret for some reasons the sharp decline which has taken place in consuming centres, although to a very large extent the fall has been the removal of a good deal of the profit over and above what topmakers and spinners are entitled to in view of the cost of the raw material. Still, nothing has really transpired to warrant a decline of 4d. per pound in the price of both merino and crossbred tops, and no more business, but a good deal less, has actually been done with 50's tops at 2s. 4½d. and 64's at 3s. 4d. than when the former were selling at 2s. 8d. and the latter at 3s. 8d. to 3s. 9d. We certainly think there is far more justification for the fall in merinos than in medium and fine crossbreds, although there is still a good margin on what they cost out of wool bought last series. At the same time, one must not forget the important fact that practically the whole of the wool bought in July remains on hand and will not reach the combs for the next two or three months, it being more particularly those who bought tops around 2s. 6d. for 50's and 3s. 6d. to 3s. 7d. for 64's who are feeling the pinch. That is really where things stand to-day. The interval has been the quietest seen this year, and August has been productive of less business than any month since October 1914. No doubt there has been a "bear" campaign in Bradford, big importing topmakers apparently being disposed to sell tops at less money in the hope of affecting overseas markets, especially with the time approaching for the sale of the Australian new clip. We shall not be much surprised if an effort is made to get wool values down; but Bradford importers must not attempt too much, for more American buyers are going out to Australia than ever before, and we fully expect Japanese buyers also to be active competitors. Still, the home trade along with France will be called upon to lift 80 per cent. of the new Colonial clip, and we shall not be surprised if a lower range of values obtains for the bulk of the wools.

The present is a very important time in the history of the trade. Before this article is printed the Government may make a declaration regarding what it is prepared to do with respect to the granting of licences for the export of reasonable quantities of Colonial crossbred and English-grown wools. We know there are a few influential members of the trade who are opposed to this line of action, but after sober consideration we still favour the view expressed in this issue a fortnight ago, and believe that, from a patriotic and economic standpoint, the export of, say, 50,000 bales of Colonial crossbreds and a reasonable amount of English wools can be allowed to our Allies and America without injuring the home trade, but conferring a benefit upon the countries named. If this weight of wool is shipped there will still be available quite sufficient to meet any prospective needs on account of our own War Office, and it is impossible for holders of stocks of crossbreds and English to get out of them any more than a legitimate profit. The English clip has been bought on

a very high basis, merchants paying prices which, at the moment, seemed fully justified in face of prospective needs, and we certainly think that a reasonable chance should obtain for the sale of current stocks, which cannot be done to-day without holders facing serious loss. Even if the booming times of the early months of this year returned, which is doubtful, holders of Colonial and English crossbreds to-day would only be able to sell their stocks on the barest possible margins.

There are many matters of interest confronting the wool trade, prominent among which is the vexed question of congestion at the docks. If a reasonable amount of wool were allowed to be exported, it would help materially to reduce that congestion; and if the Board of Trade would put pressure upon railways to shift wool, which has been paid for and called for by owners, to consuming centres, it would help to solve the present unsatisfactory state of affairs. What seems to be troubling the dock people most is outside speculators, who have bought wool and are storing it at the docks and up-town warehouses, waiting a favourable opportunity to sell it at a profit, which at the moment they find impossible.

Regarding prospective prices little need be said. The general feeling favours not very different prices for good shafty, well-grown merino combing wools, and no doubt the strongest demand will be for these. Good shafty clean wools are certain to be wanted, but for the medium and faulty wools we fully expect to see a fall. Owners cannot go on for ever piling up wools that need carbonising, and no doubt these will suffer most. It is useless forecasting what the fall will be, for that will depend a good deal upon what support is forthcoming this series from America. We do not see any reason whatever for these wools being held up in London, and to our Allies and America licences ought to be granted readily. Crossbreds are, at the moment, a conundrum. Some seem to think that values varying little from those ruling at the close of the last series will be paid, but that will depend very much upon what the Government is prepared to do regarding the granting or refusal of licences, and we think the trade is entitled to some announcement regarding future khaki requirements. If no assurance is given that crossbreds will be allowed to be exported to safe destinations, then we fully expect a fall, which can easily amount to 10 per cent. before the series finish—that is, if any weight of crossbreds is catalogued. There is no need whatever for owners to be faced with such a decline, and we believe if facilities are granted for export prices will not be very much different from what they were last series.

The following is a useful table showing how values have fallen for tops since the close of the last London sales:—

Description	July 21 d.	Sept. 2 d.
64's Colonial tops, average ... ..	42	40
66's " " super ... ..	41½	39
66's " " ordinary ... ..	41	38½
64's Cape tops, long ... ..	41½-42	40
64's " " medium ... ..	41	39
58's Colonial tops, average ... ..	37	34½
56's " " " ... ..	31	33
50's " " " ... ..	31	29½
48's " " " ... ..	28-29	26½
46's " " prepared ... ..	28	27
46's " " carded ... ..	27-28	26½
40's " " prepared ... ..	25	24-24½
40's " " carded ... ..	21	23½
36's " " prepared ... ..	21	21

## AMERICAN COTTON.

LIVERPOOL: Thursday.

SINCE our last report the market has developed a strong and active tendency, a large business has been transacted, and this evening's closing rates show gains of from 30 to 38 points for American and twelve points for Egyptian cotton, as compared with current values a fortnight ago. To-night's quotations are:—September delivery, 5.72½d; January-

February delivery, American, 5.88d.; January delivery, Egyptian, 8.34d.

The announcement that the British Government would declare cotton contraband was not unexpected, but most people thought its immediate effect would be to depress prices. Our Government evidently took this view, for when issuing the contraband declaration it was stated: "His Majesty's Government contemplate the initiation of measures to relieve as far as possible any abnormal depression which might temporarily disturb market conditions." The market took this to mean that, if necessary, steps would be taken to support prices in the event of any sudden slump or bear raid. This interpretation of the official statement gave a firm undertone to the market, and caused considerable covering by shorts. The upward trend of prices was further accentuated by distinctly less favourable crop news. Cables came through reporting serious deterioration from excessive rains, and whereas at first the news of the drought being broken in the West, followed by good rains, brought crop estimates of 18,000,000 and 14,000,000 bales into favour, later advices discouraged these ideas and suggested that 12,000,000 bales for next crop would be nearer the mark. With such a discrepancy of opinion regarding the coming season's supply, the Bureau estimate of condition was awaited with much interest. The Bureau estimate was issued last Monday, and gave a figure of 69.2, as against 78 last year. Although this is a low condition figure, it was not quite so low as had been feared, and its immediate influence was to induce considerable selling, under which prices declined several points. The American markets also declined, but here we very soon recovered, and our strength caused America to swing round again on the upward tack. The very serious break in exchange yesterday has, for the time being, dislocated the importing machine, and this, together with the recent storm in Texas, which has rendered shipments from Texas impracticable till the damage is repaired, and also with the fact that the crop is two or three weeks late, has removed the prospect of any early shipments of new cotton coming to this market in any weight at present. The realisation of this has caused near months to become very strong, and they have advanced in price more rapidly than the more distant positions. Fortunately, this market has an unusually large carry-over from last season—cotton of excellent spinning quality—and there is no urgent need for any immediate replenishment of its supplies. But the fact that importers are temporarily out of action, and have no hedges to put out against purchase in America, denudes the "ring" of contracts, and the daily demand from buyers of futures can only be satisfied at advancing prices. As long as this state of affairs continues there is little prospect of lower prices; but eventually, when the crop begins to be pressed for sale, the boot will be on the other leg, and it will be difficult to maintain prices at their present level.

Crop estimates for Egypt and India have been promulgated within the last few days. Both crops are likely to be smaller than last year's. The Egyptian crop is estimated at 6,000,000 cantars, against 6,347,000 last year. The forced reduction in acreage in Egypt does not tell as much in the total yield as might be expected, as the land unplanted has been the less fertile portions. In India the reduction in acreage has been considerable—about 25%—and the crop may be 1,000,000 bales less than last year.

On the spot the trade demand has been stimulated by the firmness of the market and the knowledge that with comparatively little cotton on the way a better selection is now before buyers than will be the case a few weeks hence, to say nothing of the inducement of basing purchases on the current month while it runs at a discount. A good all-round business has been done, the inquiry being mainly for qualities suitable for coarse counts, but the higher grades, with good staple, have shown a hardening tendency in the selling basis.

# MESSAGE

PRESENTED BY

THE PRESIDENT OF THE STATE OF SÃO PAULO,

## DR. FRANCISCO DE PAULA RODRIGUEZ ALVES

TO

CONGRESS ON 14th JULY, 1915.

*(From "Wileman's Brazilian Review.")*

GENTLEMEN,

I beg to congratulate you on the auspicious occasion of your reunion and to place before you the following statement of affairs during the last twelve months.

Yet again I have to open my Message with an unhappy announcement, this time of the death in this City of our venerable friend, Dr. Bernardino de Campos, one of the most prominent of the directors of Republican policy and zealous servants of the State.

In the course of his career, Dr. Bernardino de Campos occupied the highest of all offices with the exception of the Presidency of the Republic, to which the blindness with which he was ultimately afflicted was an insuperable impediment.

His death was deeply regretted in every State of the Union and in homage to his invaluable services to the Republic his funeral was undertaken by the State.

When Dr. Wenceslao Bras assumed the Government of the Republic, the whole world was already suffering from the tremendous war that still continues in Europe.

It was impossible that we here should escape the effects of this conflagration, coinciding as it did with symptoms of internal political and financial weakness, the causes of which are well known.

The Government of the Nation is awake to the situation and unwearying in its efforts to minimise the effects of this catastrophe.

In view of the difficulty of the situation and fully recognising the responsibility of the State of a political as well as administrative order, and desiring to lend our assistance to the new Government of the Republic in order that it may satisfy national aspirations, it was determined amongst the directors of the Republican party and our representatives in Congress to give the frankest support to the Government of the Union.

To normalise political life, free it from irritating limitations, and give it dignity by making the popular vote a reality is in synthesis the programme of the actual President of the Republic and has always been my own aim also.

Unless this object be kept constantly in view and tolerance and respect for justice made the rules of conduct for the rehabilitation of national character, all we can do is to wait with patience a long time, perhaps, for the Republic to fulfil its constitutional mission. Without regulating political life, it will be difficult to regulate the finances of the Republic, that more than ever demand union and judgment.

The state of the Federal finances reflects inevitably on those of the States and, particularly in times of monetary crises, when borrowing abroad is impracticable.

It is in crises like this that the Union stands in need of the heartiest co-operation, not only of S. Paulo, but of every one of the States, in the task of re-establishing stability and tranquility.

Overwhelmed, almost, by the multiplicity of the services that had to be attended to throughout its vast territory, the State of S. Paulo succeeded, at some sacrifice, in maintaining unimpaired its administrative movement.

Estimates calculated, perhaps, on too liberal a scale to allow of the expansion that the uninterrupted progress of the State exacted, resulted, in some cases, in expenditure of an ordinary nature being confounded with extraordinary, that should have been provided for by means of special appropriations. Under such a system deficits were unavoidable. This the Government has endeavoured to correct, but only very slowly, after the estimates have been relieved of the burden thus imposed on them by contracts already entered into for costly public works, can the position be radically righted. So serious, indeed, were the complications that the crisis and afterwards the war gave rise to towards the close of last year, that there was no help for it but to suppress some services entirely, postpone others, and reduce to a minimum all extraordinary expenditure that could be suppressed without serious sacrifice.

Amongst the last ranks the construction of the railway to Port Tybiriçá and the completion of the water works of the City of S. Paulo. Owing to repeated droughts, the springs that feed the City's water supply proved insufficient for the requirements of the growing population and factories began to run short of water. Works of this nature could not clearly be suppressed or postponed and had to be continued at all cost.

As regards the Railway, it would have been preferable to suspend construction were it not that the contract entered into stipulated for heavy indemnities which would have entailed greater sacrifices than continuation of the works.

You will find elsewhere detailed particulars regarding the financial position and will be able to appreciate for yourselves the embarrassments that the Government has been subjected to, in consequence, particularly, of the closing of so many markets to coffee, our principal export, and the unjust and exaggerated restrictions imposed on our commerce in this article and the difficulties placed in the way of realisation of valorisation coffees already disposed of.

The position of our stocks at Hamburg was very delicate and exacted energetic action for their protection. The sale of this stock was indispensable and though we succeeded in disposing of the Hamburg stock on good terms, the product

of the sale has not yet reached us, but is deposited with one of the great Berlin banks, where it awaits an opportunity for remittance to our bankers in London.

With regard to the Antwerp stock, the sale of which was duly authorised, we have reason to fear similar treatment. This stock, as you know, serves as guarantee for the service of the foreign loans issued by the State. In consequence of the failure to realise the proceeds of the forementioned stock, amortisation has necessarily been suspended.

Sundry proposals on our part for transfer of the deposit have so far given no result.

It will be remembered that by Law 1,461 of 29th December last, the Government of the State was authorised to raise an internal loan of 50,000 contos of reis in 5 per cent. gold apolices or bonds, with interest and capital payable in gold at the rate of 16*d.* per milreis for the constitution of a special fund in aid of planting and coffee interests generally. For the service of this issue it was proposed to set aside the unaffected moiety of the coffee super tax. The idea of substitution of the bonds of the London loan of £7,500,000 by those of this internal issue to the equivalent of the Hamburg and Antwerp stocks of valorisation coffee disposed of was suggested. In this way we hoped to facilitate transfer through the agency of neutral bankers and should have been then in a position to carry out the objects of the above-mentioned law without benefiting in any way countries at war with Germany. Our proposal, however, was not accepted.

It was then suggested that bonds of the 1913 London loan held in Germany should be paid off and in this way amortisation be, at least, partially effected and the balance, whatever it might amount to, be handed over to the S. Paulo Government through reliable channels.

Communications between the two countries being tardy and, moreover, only practicable through the Brazilian Foreign Office, the assistance of the Minister of Foreign Affairs, always most solicitous of our interests, was requested in order to press acceptance of our last suggestion and obtain payment of the sum of which we are so unjustly deprived.

Seldom, indeed, have circumstances combined to depress the economic conditions of any country, as at present is the case with S. Paulo, nor could the resistance opposed to such disintegrating elements on the part of the factors that stimulate the production of wealth be better appreciated.

Our State, we have always maintained, is a field of most intense labour, in which human energy is manifested as ardently and compensated as liberally as anywhere in the world.

In spite of the difficulties that, in common with S. Paulo's, now embarrass progress, commerce and industry generally, the State of S. Paulo feels no discouragement, but continues to labour and struggle, confident in its future.

It is regretted sometimes that we should have devoted our energies so exclusively to the cultivation of coffee, but that is not now true, and, as a matter of fact, S. Paulo has extended its energies to every practicable branch of industry.

Besides coffee, cereals, cotton, sugar cane and tobacco are now widely cultivated in S. Paulo, as the subjoined statistics of exports showing the value of Rs. 80,000:000\$ (about £5,000,000) in addition to that of coffee, bears testimony.

Meanwhile our manufacturing industries, and particularly cattle farming, are growing all the time and will shortly add powerfully to our resources and prosperity.

There is no room, therefore, for regret that S. Paulo has in the past given such exclusive attention to coffee, the foundation of the wealth that has made other developments profitable.

No area in the world is more appropriate for the cultivation of coffee than S. Paulo, where both soil and climate combine to produce a commodity in demand the world over. To fail to take advantage of conditions so exceptional would be little less than a crime. We may, at times, be inclined to regret not having yet succeeded in entirely crushing the competition of other countries not so blessed as we are as regards soil and climate, but being in the position to produce, almost indefinitely, immense quantities of a commodity of prime necessity, we have only to persevere to conquer all obstacles.

Not that we have not, too, difficulties to overcome. Although the last crop was fortunately exported without

great difficulty and the price obtained was on an average not discouraging and there was no lack of labour last year and plantations have, consequently, been well kept up, the question of how the actual (1915-16) crop is to be disposed of is already preoccupying attention and causing anxiety to both Government and to producers.

From information I have received, it appears that whilst the actual crop will be larger than the last one, consumption has grown more rapidly still and in all probability would, normally, be larger than production, seeing that the world's production is calculated at nineteen million bags and consumption at twenty million.

"The fly in the ointment" is the war, in consequence of which so many European ports are entirely closed to imports of our coffee and some very large consumers, like Germany and Austria, will, perhaps, be unable to receive our coffees as usual.

The conditions of transport are likewise abnormal and rates for freight and insurance have risen in proportion.

Government, however, is on the alert and intent on smoothing away difficulties that at present embarrass the coffee movement and menace the disposal of our product in consuming markets.

Splendid though the actual statistical position is, it would be ineffective were it to be upset by artificial limitation of our exports of coffee and the speculation for the fall that would inevitably follow.

Official vigilance combined with the action of all other interests, and particularly of the Santos market and elements of transport may, doubtless, do much, and it is in this sense that I wish to impress particularly on planters and the directors of railways the advisability of sending down their produce to market less tumultuously in order that sales may not be forced.

My attention has been repeatedly called by firms interested in coffee to the disordered manner in which coffee is invariably remitted to the seaboard during the first half of each crop year and the manner in which prices are thereby affected, particularly when crops are heavy. A little more prudence on the part of planters and railways in sending down their produce would doubtless be most efficacious.

Only last year I received a communication from one of the largest dealers in coffee anywhere and a member of the Valorisation Committee, in which he says: "If the State of S. Paulo, the regulator of the world's coffee market, insists on sending to market 90 per cent. of the crop in the first six months, the result will be a difference of 2 cents per pound or ten shillings per bag, and a total loss of £5,000 on a crop of 10,000,000 bags. Is S. Paulo rich enough to stand such a loss, simply because commercial methods are there so unreasonable and opposed to common sense? Brazil might easily arrange for only 60 per cent. of its crop being marketed during the first half of the crop year and 40 per cent. during the second. What ought to be stopped is the habit of selling 90 per cent. during the first half and only 10 per cent. during the second half of each crop and thereby incurring a loss of £5,000,000 per annum. In the United States the sale of the cotton crop is to-day spread over the whole twelve months, not six as in Brazil. Is it not possible for Brazil to negotiate its crops in some other way? Do not planters see that they are all sufferers from such a system and is there not intelligence and judgment enough in the country to put an end to it?"

On 7th June last I called the attention of the Society of Agriculture of the City of S. Paulo to this subject, pointing out that even if some planters were not in a position to hold back their produce, a good many others were undoubtedly in such a position and their example would encourage the rest to follow.

It is intuitive that regular monthly remittances would tend to regulate prices and to check speculation.

On the possibility of escaping the menace of interruption to consumption from the war, it is impossible to count. Were our banking system better organised we might discover therein the elements necessary for self-defence, seeing that the possession of a product in such general demand should be sufficient guarantee for any credit operations its movement might entail.

In view of the actual statistical position of coffee, it is just possible that, assisted by diplomatic action, the actual crop may be exported without much difficulty to the usual consuming markets. But if diplomatic action proved to be inefficient or insufficient and certain markets continued

to be wholly or partially closed to our product, it would be necessary to find means of re-establishing equilibrium between demand and supply of this commodity to prevent its sale and exportation being compromised. As, however, such measures depend, at this moment, more on the action of the Federal than on State powers, we think it our duty to call the attention of the Federal Government to the facts and the manner in which they may influence the statistical position of coffee and its prices.

National interest being so inextricably involved with our own in this problem, it is permissible to believe that such important factors of prosperity will not be unprotected.

At a meeting in this Capital, on 3rd January, just before assuming the Government of the State, I had occasion to state my views with relation to railway development. "We cannot," I then said, "think for the moment of further extensions in the action condition of the State Treasury, as we have neither money nor credit sufficient to carry them out. What we can do, however, is to endeavour to systematize our railways. I am not personally in favour of trusts as agents for the working of railways. If consolidation is requisite, I prefer that it should be effected by the State."

It is well to call these words to mind. Questions of relative advantage of State or private management have, in my opinion, little bearing on the true issue, which, in newly developing countries like this, must be a question purely of the manner in which the interest may be best served, which, in my opinion, would not be by the incorporation of our principal and successful railways with weaker undertakings.

To avoid such a disaster it would be preferable that the State itself should assume responsibility for their expropriation on terms, of course, of their respective contracts.

Some years ago it was proposed in the State Legislature to authorise the expropriation or redemption of the Paulista and Mogyana railways and to afterwards transfer same to a powerful foreign organisation.

There could be no possible advantage for us in such a proceeding or the transfer of railways constructed with local capital, ably administered by our own people with greater consideration for local interest than foreign companies would be likely to show. Apart from the unhappy experiences of "trusts" in the United States and fears of their reproduction in this country, there seems no motive at all for so dangerous an experiment that from our point of view could bring no advantage whatsoever to ourselves.

As regards the Santos Docks, Dr. Rodriguez Alves maintains his opinion with regard to the extension of the quays from Outerinhos seawards, to the effect that the Santos Docks Company not being privileged, extension of its docks could, consequently, only be granted by the Federal Government in virtue of public competition by tender, for which the State of S. Paulo is ready to present proposals.

Municipal and federal elections were duly realised without disturbance of any kind.

Two new municipal districts were created in the course of the year.

Public education has been thoroughly attended to in spite of the crisis and shows progress in every branch of the service.

Statistics show that the health of the population has been satisfactory, the death rate has diminished both in the Capital and interior.

There has been no serious epidemic and the Trachoma Commission has been dissolved. The inoculation for typhoid has given excellent results.

Owing to the war, there is a growing demand for meat for supply of the enormous armies and, as local supplies have been greatly reduced by the war, the belligerents have necessarily to look to neutral countries for supplies. An opportunity has thus been offered for the development of this valuable industry that, properly utilised, should help to increase very materially the wealth of the country.

Of all the States, S. Paulo, where for some time cattle farming has entered on its intensive phase, is best prepared to take immediate advantage of the opportunity now offering. If, perchance, its own production is still insufficient for home consumption, by careful preparation it has paved the way, at least, to act as the intermediary for preparation and sale of the cattle from neighbouring States.

The wonderfully rich pasturage on the borders of the neighbouring States of Goyaz, Minas and Matto Grosso has converted that extensive region into a natural halting place for cattle proceeding from those distant provinces, where they may be fattened and prepared for consumption. The district is, moreover, adequately served by railways and roads, whilst three important slaughter houses have been started at Osaca and Barretos for preparation and freezing of meat for shipment to foreign markets, where it has found an easy market. Such an opportunity to put this industry on an immediately paying footing must not be neglected, and though on general lines its future seems assured, there are still some measures that require the attention of Government and are the object of Government's special solicitude.

In July last at a meeting of leading cattle raisers, the necessary measures were fully discussed by which the cattle of other States might be attracted to S. Paulo, the first of which is the immediate opening of inter-State roads converging on the pasturages of S. Paulo at a point in easy communication by rail with the port of Santos. The matter of our breeding was also discussed and the conclusion came to that the rôle of S. Paulo was to supply the elements for improving the type in these three great neighbouring States.

It would, however, be counter-active to propose to supply stock cattle of foreign breeds direct to these distant regions, where they would be subject to the decimating effects of "tristeza" that, in some instances, has been the cause of loss of 90 per cent. of imported cattle.

Breeding of local pure blood stock is necessarily a work of time and expenditure such as could only be undertaken with the collaboration of the Federal Government. The State, on its side, might undertake to found local experimental establishments and aid farmers and planters to import blood cattle for breeding purposes themselves which should be sent to Government stations for reproductive purposes. This, however, would depend on the action of the Federal Government in stimulating the importation of blood cattle.

If this programme were faithfully carried out, within ten years or so herds would show sensible improvement by systematic crossing and the economic results would be very appreciable.

For the present, the programme ought to be the improvement of our pastures and breeds of cattle.

Meanwhile something is being done to improve stock by suppressing disease and improving sanitary conditions, to which end not only has a competent veterinary service been created, but breeding stations for cattle, horses and other animals have for some years been working.

## AGRICULTURE.

The season of 1913-14 cannot be reckoned as one of the best for agriculture, in consequence not only of the prolonged drought, but the financial crisis.

In 1913-14 the production of coffee reached 44,289,470 arrobas, equivalent to 11,072,367 bags, derived from 722,420,748 bearing trees, and was larger than that of 1912-13, which amounted to only 9,470,833 bags, inclusive of home consumption. Of the former crop, only 10,855,454 bags arrived at Santos, inclusive of 688,796 bags from the State of Minas Geraes, whilst 86,186 were sent by the Central Railway to Rio de Janeiro.

In consequence of the crisis and the drought, the Cotton crop was the smallest for the past six years and yielded only 628,550 arrobas in 1913-14, as against 2,654,497 arrobas for the season previous. This branch of agriculture, which

seemed so promising, has experienced a decided set-back and the planted area has been considerably reduced.

The production of **Cotton** for the season 1913-14 yielded 2,828,475 kilos. of raw cotton, a quantity insufficient even for the consumption of our own mills, it having been necessary to import from other States 6,388,127 kilos., principally from Pernambuco. It is to be hoped that once the crisis is over production of cotton will once more tend to increase.

The **Tobacco** crop likewise suffered from drought and insects and in the leading districts, S. Bento de Sapucahy and S. Miguel Archango, crops were reduced to half. Even so, the 1913-14 crop yielded in all 149,262 arrobas of tobacco, as against 150,762 for 1912-13. The tobacco consumed in the State is almost all consumed within its borders by the numerous cigar and cigarette factories, and only from one district, S. Bento, is there any trade with other States, 230,869 kilos. of the value of Rs. 252.012\$300 having been sent to Rio de Janeiro last year.

The **Sugar** crop produced in the State did not exceed 406,151 bags in 1913-14, as against 414,632 bags in 1912-13, of which 342,404 bags came from large mills, two of them of recent foundation. In spite of the improvement, the production of the State is insufficient to meet consumption, and 71,825 tons from other States were imported into S. Paulo in 1914.

The production of **Alcohol and Spirits** reached 116,922,582 litres in 1913-14, a shrinkage compared with the previous season of  $7\frac{1}{2}$  per cent.; of the above quantity 2,590,410 litres came from sugar mills.

As was to be anticipated, the prolonged drought did most damage in districts where irrigation has not yet been adopted. Withal, the crop of **Rice** attained in all to 1,476,896 bags of 100 litres, in the husk, for 1913-14, as against only 1,390,733 bags for previous season, of which 4,601 tons were exported in 1914 from the district of Iguape, 355 from Cananea, 20 from Santos, and 8,924 per Central Railway, in all 13,900 tons for consumption in other States.

The **Bean** crop is estimated to have yielded 1,921,000 bags in 1913-14, or almost the same as for previous crop. Along the Central and Sorocabana Railways it was about the same as last year's but larger on the Paulista and Mogyana.

The production of **Indian corn** rose to 11,069,300 bags in 1913-14, an increase of 12.7 per cent. compared with previous season.

As regards the current season, 1914-15, the yield of cereals promises to be larger, in spite of the continuance of the drought.

#### FOREIGN TRADE.

In spite of the war in Europe, the foreign trade of the State of S. Paulo shows a decided tendency to increase. During the first five months of 1915 the value of imports, though below the average, reached Rs. 54.483.956\$ currency, as against Rs. 68.095.708\$ for the same period 1914.

Exports, on the other hand, show a very considerable increase from the value of Rs. 149.019.664\$ for the first five months of 1914 to Rs. 185.673.371\$ in 1915.

Inter-State commerce in 1914 shows but an inconsiderable shrinkage compared with the previous year. Imports from other States amounted to 159,038,917 kilos., valued at Rs. 77.186.453\$, as against 166,352,864 kilos., valued at Rs. 77.479.254\$ for the year previous. Exports from S. Paulo to other States of the Union amounted to only

18,841,659 kilos., valued at Rs. 27.527.482\$, as against 22,793,762 kilos., of value of Rs. 29.073.624\$ the year before. In the inter-State trade there was, therefore, a heavy shortage owing to importation of products we might just as well have produced ourselves.

Of the total value imported, alimentary products alone account for Rs. 57.847.000\$, of which sugar imported from Northern States figures for Rs. 29.191.000\$, and cotton for Rs. 7.128.000\$. From Rio Grande and other States 10,088,788 kilos. of lard were purchased, of value of Rs. 14.124.000\$, besides xarque (dried meat), rice, pea nuts, potatoes and other goods.

Our exports from this to other States, on the contrary, consist chiefly of manufactures (textiles, hats, boots and shoes, beer, &c.) and, of course, coffee, for which the inter-State trade is not very considerable. A large part of our favourable balance of trade with foreign countries is, as these figures show, expended in the acquisition of many products we could just as well produce ourselves.

#### SHIPPING.

There was a big falling off in the shipping movement in 1914. Entries at S. Paulo ports numbered 1,652 of 4,341,097 tons register and departures 1,654 of 4,342,194 tons. The total tonnage was 8,693,291, as against 9,786,255 in 1913 and 8,430,966 in 1912.

In consequence of the suspension of the German and Austrian movement, considerable difficulty was felt during the second half of 1914 with regard to ocean transport and there was an extraordinary rise in freight rates of most merchandise.

The amount of cargo handled at the port of Santos in 1914, overseas and coastwise included, was 997,849 tons for imports and 570,007 for exports, or 1,567,856 in all, as against 2,220,107 tons in 1913.

#### EXPORT OF CEREALS.

Encouraged by the measures adopted by Government, the production of cereals, though suffering for the time being from the effects of the prolonged drought, is expected to leave a large quantity available for export during the current season.

The comparative advantages of different consuming markets have been carefully determined and arrangements been come to with the railway for temporary reduction by 20 per cent. of actual freight rates, inclusive of the Central of Brazil Railway, by which the greater part of the cereals exported from this State for consumption in the City of Rio de Janeiro is transported. It would be convenient if this temporary concession were made permanent and in this way competition with the high rates ruling at the port of Santos for foreign export trade were facilitated.

#### STATE AGENTS ABROAD.

The commercial agencies at Paris, Vienna, Berlin and Madrid having been extinguished, the service was concentrated in the hands of a single representative centred at Brussels. Sections for coffee propaganda were established at the London and Lyons exhibitions of 1914, but on the outbreak of war the employees were all withdrawn and the service extinguished.

#### RAILWAYS.

There was an increase in 1914 of 345 kilometres of line opened to traffic, raising the total length of line in the State of S. Paulo to 6,137.7-10 kilometres actually in traffic on 31st December, 1914, of which 4,250 kilometres are the property of private companies, 1,532 belong to the State, and 355 kilometres to the Union.

The Revenue of these railways for the past year (excepting the Araraquara, S. Paulo and Goyaz, Pitangueiras, Itati-bense, S. Paulo and Minas and Central of Brazil railways and the S. Vicente tramway (for which the respective returns have not yet been received), amounted in the aggregate to Rs. 93.474.637\$296 and Expenditure to Rs. 59.208.947\$107, leaving, consequently, a balance in favour of Revenue of Rs. 34.265.690\$186.

In the course of the past year only one new concession was granted, for construction of a line of 21 kilometres between Ibitura and Bebedouro.

For completion of the actual railway and road and navigation systems, a project of law has been prepared that awaits the deliberations of Congress.

#### EXTENSION OF THE LINE FROM SALTO GRANDE TO TYBIRICA.

The construction of the line to the margin of the river Parana has reached 225,540 metres, of which the section between Salto Grande and Aves, of 31,954 metres, has been already opened to traffic. In spite of the modifications proposed by the Government of S. Paulo, the route determined by the original surveys was maintained by the Federal Government.

#### LIGHTING OF THE CITY OF S. PAULO.

The number of gas lamps for public lighting was increased by 153 during the year 1914, raising the total to 3,274, of which 2,900 are permanent and 374 subject to alterations.

The number of electric lamps was raised to 846, of which 221 are arc, 159 Westinghouse and 460 incandescent of 75 watts.

#### TELEPHONES.

During 1914 six new telephone lines were authorised in accordance with Law 311 of 11th October, 1891.

#### WATER POWER.

The Bill for regulation of water power and the production of electric energy thereby awaits the deliberations of the Federal Congress.

#### RIVER NAVIGATION.

On 31st December, 1914, the regular service comprised 977 kilometres, of which 182 kilometres on the rivers Tieté and Pinheiros; 60 between Iguape and Camero; 100 between Iguape and Aracama; 25 between Santos and Bertogari; and 612 on Ribeira de Iguape and affluents. Improvement of the course of the Tieté, suspended in consequence of deficiency of the respective appropriation, is being again continued.

#### COASTWISE TRAFFIC.

The State Government does not actually subvention any coast lines, which are under the protection of the Federal Government.

#### SANITATION OF SANTOS AND S. VICENTE.

The abnormal financial conditions were the cause of the suspension of the construction of the Immigrants' Home and interruption of the work on the projected drainage canals. All the other drainage and sewage works have been completed and handed over to the Santos Municipality.

During the past year two important works were completed; the suspension bridge between S. Vicente and the mainland and the sewage works of that suburb. Judging the task of the Santos and S. Vicente Commission to have been completed, it was dissolved and a new commission appointed under the denomination of the Sanitary Department, to take charge of the maintenance of the works and for fiscalisation of the water supply of the City of Santos Improvements Company.

#### THE WATER SUPPLY AND SEWAGE WORKS OF THE CITY OF S. PAULO.

The service of this department has been normal, 3,642 new domiciliary connexions having been effected with the water mains, raising the total to 44,322. With the drainage mains 3,672 new buildings were connected, raising the total to 44,143. The sewage extensions at Perdizes, Ypiranga and Barra Funda were likewise completed, as also the construction of the Tumandachy Canal, connected with the river Tieté and a bridge at Moóco.

Owing to the prolonged drought, the water service was not satisfactory, the shrinkage of the supply being aggravated by the increase in population and certain defects in the mains that will take some time to rectify. The measures

which were promptly adopted resulted in an increase of supply of over 32,000,000 litres per diem.

The works at Cotia for supplementing the supply were pushed ahead as rapidly as the difficulty of transporting materials admitted.

Some other necessary works were completed, as those of reservoirs at Villa Mariana and Agua Branca.

In view of future requirements experiments are being made at Belenzinho for storage of the water of the river Tieté.

#### IMMIGRATION.

Compared with the two previous years, immigration shows great falling off. In 1914 only 48,413 immigrants entered the State, as against 119,757 in 1913 and 101,947 in 1912. Of the total entries in 1914, 33,028 paid their own passages, for 15,385 the passage was assisted, and for 137 passage was paid by the Union. Of the total 14,903 were Spaniards, 11,706 Italians and 11,697 Portuguese.

Third class emigrants from Santos numbered 41,244 in 1914, as against 39,212 in 1913.

There seemed to be that this year the immigration will be smaller still.

#### COLONISATION.

The Patronato Agrícola and all the other services connected with immigration worked with regularity, as also the localisation of "colonos," from whom the sum of 272,538\$50 was received in payment of land in the course of the year.

#### PUBLIC LANDS AND GEOLOGICAL COMMISSION.

The discrimination of public lands by the three commissions appointed for that object continues.

The service of the Geographic and Geological Commission has been suspended for economic reasons. The plan of the City of S. Paulo has been completed as also a map of the State.

#### PUBLIC WORKS.

Many public works have been suspended and the cost of others greatly reduced.

Several school buildings in different localities were completed in the course of the year.

#### THE FINANCIAL POSITION.

Since my last Message of 14th July, 1914, financial conditions have suffered from the influence of the war as in most other countries. During the first few months the effects of the war were such as had never before been witnessed. Transport by sea was disorganised, telegraphic communications and banking and Stock Exchange operations interrupted, and trade between different nations almost entirely paralysed; in fact, complete syncope of the circulatory system, by which international exchanges are maintained, supervened.

The reflex influence of such deplorable occurrences on the interests and finances of this country could not fail to give rise to grave apprehensions.

The financial conditions of the country, already critical, deteriorated profoundly. The declaration of war was succeeded by suspension of foreign credits so complete as to endanger the banking position. In consequence a period of 15 days was declared bank holiday to give opportunity to Congress to determine the measures advisable to most adequately meet this crisis, amongst which the declaration of a moratorium was decided to be indispensable to prevent complete commercial collapse.

Naturally affairs in this State could not fail to be affected by such a crisis, and in spite of the solidity of our organisation during the months of August and September we passed through very anxious moments.

The difficulty created by the war with regard to oversea transport was, of all the consequences, the gravest, paralysing, as it did, every kind of economic activity and creating almost insuperable difficulties for the Treasury and agricultural and industrial production. Revenues at once fell off and during the month of August only 200,000 odd bags of coffee were cleared at Santos customs in lieu of an average of a million in previous years. Everything, in fact, conspired to prejudice exports—the suppression of part and perturbation of the rest of ocean transport, suspension of foreign credits and consequently of drafts and remittances.

In this emergency Government acted promptly and efficaciously, utilising every resource of diplomacy for as complete re-establishment as possible of maritime and telegraphic communication with consuming markets and re-establishment of credits abroad, in all of which the Minister of Foreign Affairs solicitously co-operated.

To facilitate shipments, the S. Paulo Government authorised payment of the gold super-tax on coffee exports in notes of the Caixa de Conversão and paper money, even, at prefixed rates of exchange. In consequence of these measures, exports of coffee were renewed, almost the whole of the coffee crop was disposed of, and economic and financial conditions in the State, happily, improved.

At the same time Government proceeded without delay to draw up a full statement of obligations already undertaken for public services and to suspend every item of expenditure that could possibly be dispensed with.

Just before the outbreak of war a foreign loan for £10,000,000 had been closed, against which £4,200,000 had already been advanced by February 1914. With the outbreak of war all hopes of completing the operation had to be abandoned and it was found indispensable to have recourse to internal credit, in the shape of an issue of Treasury bills, to make good the shortage of revenue. This issue was opposed in some quarters on the ground that it would injuriously curtail commercial credit. As a matter of fact, the action of the Treasury served to put into circulation deposits that in consequence of the want of confidence found no employment. In this connection, it is well to remember that Treasury payments attain during certain months to 8,000 or 10,000 contos of reis.

By this means the Treasury has been enabled, with the exercise of strict economy, to successfully pull through the crisis; the service of the internal debt and all other administrative payments have been punctually met.

There is, as I already mentioned, large extraordinary expenditure on public works that hitherto has been met out of ordinary or budgetary revenues and are the cause of the repeated deficiency of revenues. It is true that such works increase the patrimony or assets of the State, which now attains to Rs. 255,263 :208\$000, but the obligations incurred for contracts already entered into are so considerable as to make it advisable not to undertake any fresh obligations, at least until the former have been either liquidated or consolidated by means of loans repayable at long dates.

To the deficit of 1914 the falling off of revenues due to the crisis likewise powerfully contributed. The Government is, however, taking steps to put revenue on a stable basis.

#### REVENUE.

The revenue collected in 1914 amounted in all to Rs. 65,711 :403\$534, of which Ordinary or Budgetary revenues accounted for Rs. 58,649 :227\$153 Extraordinary Revenue 7,062 :176\$381

Total	Rs.	65,711 :403\$534
As against Estimated Revenue of		79,195 :000\$000
Leaving a shortage of	Rs.	13,483 :596\$466
due to deficiencies in the following items:—		
Transmission of property (inter vivos) tax	Rs.	8,035 :059\$173
Super-taxes		1,072 :597\$114
Transmission of property tax (causa mortis) tax		914 :586\$557
Revenue derived from indemnities		1,459 :330\$262
Sundry revenues		2,484 :018\$592
	Rs.	13,965 :591\$698

The following items showed increase:—

Water rates	Rs.	272 :157\$396
Tax on capital employed in loans		60 :697\$591
Judicial taxes		17 :010\$736
Eventual revenues		132 :129\$509
	Rs.	481,995\$232

Deducting this from the above the net shrinkage of revenue in 1914 was Rs. 13,483 :596\$466.

The revenue actually collected is discriminated as follows:—

#### Ordinary Revenue:—

Export duties	Rs.	34,854 :923\$343
Registration dues		134 :693\$359
Transmission dues (inter vivos)		4,964 :940\$827
Transmission dues (causa mortis)		885 :413\$443
Stamps		905 :151\$229
Railway transit tax		1,467 :444\$000
Home tax		4,830 :894\$624
Water rates		3,672 :157\$396
Matriculation school fees		296 :500\$000
Sale of public lands		238 :770\$604
Back debts, collection of		964 :092\$142
Surtaxes		1,427 :402\$886
Tax on rural real estate exclusive of coffee plantations		154 :533\$582
Tax on commercial capital		788 :603\$517
Tax on industrial capital		140 :285\$002
Tax on Joint Stock Companies' capital		1,090 :130\$471
Tax on capital employed in loans		960 :697\$591
Tax on spirits		555 :582\$401
Tax on judicial costs		317 :010\$736
	Rs.	58,649 :227\$153

#### Extraordinary Revenues:—

Indemnities	Rs.	4,540 :669\$738
Eventual		1,132 :129\$509
From public services		639 :377\$134
Lottery tax		750 :000\$000
	Rs.	7,062 :176\$381
Grand total	Rs.	65,711 :403\$534

#### EXPENDITURE.

Ordinary expenditure, estimated by the Budget Law No. 1,411 of 30th December, 1913, at Rs. 79,174 :694\$668 attained to Rs. 100,154 :860\$773, or Rs. 20,985 :166\$105 more, owing to the following extraordinary items:—

Water supply and sewage works of the City of S. Paulo	Rs.	6,740 :956\$268
Construction of new prison		1,969 :080\$706
Extension of the Salto Grande to Tybirigá branch of the Sorocabana Railway		1,288 :609\$542
Construction of school buildings		2,230 :937\$367
Sundry services for which special and supplementary credits were opened		14,880 :608\$212
	Rs.	27,110 :142\$095
Less balance on some other appropriations		6,125 :025\$996
Net extraordinary expenditure	Rs.	20,985 :166\$105

Total Expenditure was distributed amongst the different Ministries as follows:—

Interior	Rs.	26,208 :102\$890
Justice		21,183 :587\$493
Agriculture		26,105 :938\$121
Finance		26,662 :232\$269
	Rs.	100,159 :860\$773

#### VALUE OF EXPORTS.

The total for 1914 amounted to Rs. 505,834 :821\$740, discriminated as follows:—

#### Subject to export Duties:—

	Rs.	Rs.
Coffee	386,217 :930\$700	
Hides	286 :600\$000	
Tobacco	303 :359\$000	
Firewood	2 :372\$000	386,762 :242\$500

#### Duty free:—

Goods transmitted by Central of Brazil Railway	59,822 :471\$550	
Ditto, shipped at port of Santos	27,332 :061\$590	
Ditto, at other ports of State	1,104 :481\$300	89,259 :014\$440
In transit:—		
611,053 bags of Minas coffee	29,331 :068\$600	
10,052 bags of Paraná coffee	482 :496\$000	29,813 :564\$800
Total	Rs.	505,834 :821\$740

Of the above value, Rs. 386,214 :930\$700 for coffee exports, corresponding to 8,046,207 bags, the duties on exports provided for in the budget to meet ordinary expenditure amounted to 34,854 :923\$343, whilst the surtax on coffee exports applicable to special purposes yielded 40,209,726 fcs. 75 centimes.

#### THE FOREIGN FUNDED DEBT.

At the close of 1914 the outstanding foreign debt, exclusive of that for Coffee Valorisation, amounted to £6,321,351 1s. 11d., as follows:—

1885 Loan, issued by British Bank of S. America	£138,600 0 0
Ditto, issued by Louis Cohen and Sons	385,000 0 0
1904 Loan, issued by London and Brazilian Bank	822,740 0 0
1905 Loan, issued by Dresdner Bank, for purchase of Sorocabana Railway	3,513,800 0 0
1907 Loan, issued by Sorocabana Railway for account of S. Paulo	1,961,210 9 5
	£6,821,351 9 11

## INTERNAL FUNDING FILE

(On December 21st, 1914)

Appl.	Item	Unit	Supplies	Cost	Rate	Amount
1	4th	1			10.00	10.00
2	5th	1			10.00	10.00
3	6th	1			10.00	10.00
4	7th	1			10.00	10.00
5	8th	1			10.00	10.00
6	9th	1			10.00	10.00
7	10th	1			10.00	10.00
8	11th	1			10.00	10.00
9	12th	1			10.00	10.00
10	13th	1			10.00	10.00
11	14th	1			10.00	10.00
12	15th	1			10.00	10.00
13	16th	1			10.00	10.00
14	17th	1			10.00	10.00
15	18th	1			10.00	10.00
16	19th	1			10.00	10.00
17	20th	1			10.00	10.00
18	21st	1			10.00	10.00
19	22nd	1			10.00	10.00
20	23rd	1			10.00	10.00
21	24th	1			10.00	10.00
22	25th	1			10.00	10.00
23	26th	1			10.00	10.00
24	27th	1			10.00	10.00
25	28th	1			10.00	10.00
26	29th	1			10.00	10.00
27	30th	1			10.00	10.00
28	31st	1			10.00	10.00
29	32nd	1			10.00	10.00
30	33rd	1			10.00	10.00
31	34th	1			10.00	10.00
32	35th	1			10.00	10.00
33	36th	1			10.00	10.00
34	37th	1			10.00	10.00
35	38th	1			10.00	10.00
36	39th	1			10.00	10.00
37	40th	1			10.00	10.00
38	41st	1			10.00	10.00
39	42nd	1			10.00	10.00
40	43rd	1			10.00	10.00
41	44th	1			10.00	10.00
42	45th	1			10.00	10.00
43	46th	1			10.00	10.00
44	47th	1			10.00	10.00
45	48th	1			10.00	10.00
46	49th	1			10.00	10.00
47	50th	1			10.00	10.00
48	51st	1			10.00	10.00
49	52nd	1			10.00	10.00
50	53rd	1			10.00	10.00
51	54th	1			10.00	10.00
52	55th	1			10.00	10.00
53	56th	1			10.00	10.00
54	57th	1			10.00	10.00
55	58th	1			10.00	10.00
56	59th	1			10.00	10.00
57	60th	1			10.00	10.00
58	61st	1			10.00	10.00
59	62nd	1			10.00	10.00
60	63rd	1			10.00	10.00
61	64th	1			10.00	10.00
62	65th	1			10.00	10.00
63	66th	1			10.00	10.00
64	67th	1			10.00	10.00
65	68th	1			10.00	10.00
66	69th	1			10.00	10.00
67	70th	1			10.00	10.00
68	71st	1			10.00	10.00
69	72nd	1			10.00	10.00
70	73rd	1			10.00	10.00
71	74th	1			10.00	10.00
72	75th	1			10.00	10.00
73	76th	1			10.00	10.00
74	77th	1			10.00	10.00
75	78th	1			10.00	10.00
76	79th	1			10.00	10.00
77	80th	1			10.00	10.00
78	81st	1			10.00	10.00
79	82nd	1			10.00	10.00
80	83rd	1			10.00	10.00
81	84th	1			10.00	10.00
82	85th	1			10.00	10.00
83	86th	1			10.00	10.00
84	87th	1			10.00	10.00
85	88th	1			10.00	10.00
86	89th	1			10.00	10.00
87	90th	1			10.00	10.00
88	91st	1			10.00	10.00
89	92nd	1			10.00	10.00
90	93rd	1			10.00	10.00
91	94th	1			10.00	10.00
92	95th	1			10.00	10.00
93	96th	1			10.00	10.00
94	97th	1			10.00	10.00
95	98th	1			10.00	10.00
96	99th	1			10.00	10.00
97	100th	1			10.00	10.00
98	101st	1			10.00	10.00
99	102nd	1			10.00	10.00
100	103rd	1			10.00	10.00
101	104th	1			10.00	10.00
102	105th	1			10.00	10.00
103	106th	1			10.00	10.00
104	107th	1			10.00	10.00
105	108th	1			10.00	10.00
106	109th	1			10.00	10.00
107	110th	1			10.00	10.00
108	111st	1			10.00	10.00
109	112nd	1			10.00	10.00
110	113rd	1			10.00	10.00
111	114th	1			10.00	10.00
112	115th	1			10.00	10.00
113	116th	1			10.00	10.00
114	117th	1			10.00	10.00
115	118th	1			10.00	10.00
116	119th	1			10.00	10.00
117	120th	1			10.00	10.00
118	121st	1			10.00	10.00
119	122nd	1			10.00	10.00
120	123rd	1			10.00	10.00
121	124th	1			10.00	10.00
122	125th	1			10.00	10.00
123	126th	1			10.00	10.00
124	127th	1			10.00	10.00
125	128th	1			10.00	10.00
126	129th	1			10.00	10.00
127	130th	1			10.00	10.00
128	131st	1			10.00	10.00
129	132nd	1			10.00	10.00
130	133rd	1			10.00	10.00
131	134th	1			10.00	10.00
132	135th	1			10.00	10.00
133	136th	1			10.00	10.00
134	137th	1			10.00	10.00
135	138th	1			10.00	10.00
136	139th	1			10.00	10.00
137	140th	1			10.00	10.00
138	141st	1			10.00	10.00
139	142nd	1			10.00	10.00
140	143rd	1			10.00	10.00
141	144th	1			10.00	10.00
142	145th	1			10.00	10.00
143	146th	1			10.00	10.00
144	147th	1			10.00	10.00
145	148th	1			10.00	10.00
146	149th	1			10.00	10.00
147	150th	1			10.00	10.00
148	151st	1			10.00	10.00
149	152nd	1			10.00	10.00
150	153rd	1			10.00	10.00
151	154th	1			10.00	10.00
152	155th	1			10.00	10.00
153	156th	1			10.00	10.00
154	157th	1			10.00	10.00
155	158th	1			10.00	10.00
156	159th	1			10.00	10.00
157	160th	1			10.00	10.00
158	161st	1			10.00	10.00
159	162nd	1			10.00	10.00
160	163rd	1			10.00	10.00
161	164th	1			10.00	10.00
162	165th	1			10.00	10.00
163	166th	1			10.00	10.00
164	167th	1			10.00	10.00
165	168th	1			10.00	10.00
166	169th	1			10.00	10.00
167	170th	1			10.00	10.00
168	171st	1			10.00	10.00
169	172nd	1			10.00	10.00
170	173rd	1			10.00	10.00
171	174th	1			10.00	10.00
172	175th	1			10.00	10.00
173	176th	1			10.00	10.00
174	177th	1			10.00	10.00
175	178th	1			10.00	10.00
176	179th	1			10.00	10.00
177	180th	1			10.00	10.00
178	181st	1			10.00	10.00
179	182nd	1			10.00	10.00
180	183rd	1			10.00	10.00
181	184th	1			10.00	10.00
182	185th	1			10.00	10.00
183	186th	1			10.00	10.00
184	187th	1			10.00	10.00
185	188th	1			10.00	10.00
186	189th	1			10.00	10.00
187	190th	1			10.00	10.00
188	191st	1			10.00	10.00
189	192nd	1			10.00	10.00
190	193rd	1			10.00	10.00
191	194th	1			10.00	10.00
192	195th	1			10.00	10.00
193	196th	1			10.00	10.00
194	197th	1			10.00	10.00
195	198th	1			10.00	10.00
196	199th	1			10.00	10.00
197	200th	1			10.00	10.00
198	201st	1			10.00	10.00
199	202nd	1			10.00	10.00
200	203rd	1			10.00	10.00
201	204th	1			10.00	10.00
202	205th	1			10.00	10.00
203	206th	1			10.00	10.00
204	207th	1			10.00	10.00
205	208th	1			10.00	10.00
206	209th	1			10.00	10.00
207	210th	1			10.00	10.00
208	211st	1			10.00	10.00
209	212nd	1			10.00	10.00
210	213rd	1			10.00	10.00
211	214th	1			10.00	10.00
212	215th	1			10.00	10.00
213	216th	1			10.00	10.00
214	217th	1			10.00	10.00
215	218th	1			10.00	10.00
216	219th	1			10.00	10.00
217	220th	1			10.00	10.00
218	221st	1			10.00	10.00
219	222nd	1			10.00	10.00
220	223rd	1			10.00	10.00
221	224th	1			10.00	10.00
222	225th	1			10.00	10.00
223	226th	1			10.00	10.00
224	227th	1			10.00	10.00
225	228th	1			10.00	10.00
226	229th	1			10.00	10.00
227	230th	1			10.00	10.00
228	231st	1			10.00	10.00

Rs. 61.806 : 500\$000

## THE FLOATING DEBT

On the close of the fiscal year 1914 was as follows:—

Orphans' and absentees' funds.....Rs.	14.601	:667	\$926
Treasury bills .....	27.176	:029	\$492
Debt charges with bank and other			
spondents abroad .....	5.827	:018	\$607
Summ .....		955	44,589

Rs. 48,537 : 611\$944

## ASSETS RECEIVABLE

The amount due to the State on 31st December, 1914, was as follows :

From the Federal Government	Rs.	6 015 546\$726
.. different municipalities		8 012 030\$625
.. sundry railways .....		2 084 909\$139
.. Banco Credito Real, S. Paulo .....		2,820 000\$000
.. Santa Casa Hospital .....		1 030 000 \$000
.. Banco de Custos Rur.		950 000\$000

Rs. 21.742 :488\$490

The value of property and other assets belonging to the State of S. Paulo on 31st December, 1914, was as follows :—

Santos Railway	Rs. 93 943	6218710
Funilense Railway	3 729	3155480
Cantareira Tramway	2 307	3365480
Water and drainage works, City of S. Paulo	67 400	0008000
Real estate in City of S. Paulo	49 915	0005000
Ditto, at Santos	12 099	6135440
Ditto, at Campinas	325	0000000
Ditto, in interior of State	25 043	3208500

Rs. 255.263 :208\$000

## VALORISATION OF COFFEE.

I am unable to present definite figures for this part of the foreign debt, in view of the Treasury not having so far received the accounts showing the exact position of the stocks of coffee. Government disposed of the whole of its stocks at Hamburg, Trieste and Bremen to the amount of 1,200,000 bags and expects to shortly liquidate the stock of 717,931 bags at Antwerp. These sales should yield about £7,000,000.

There still remain 1,216,585 bags at Havre. Judging from the statistical position, the final liquidation should yield a total of £11,000,000, by means of which the State would be in a position to pay off the two valorisation loans of £7,500,000 and £4,200,000 entirely, in which case the whole of our foreign funded debt, excepting the Dresdner Bank loan for which the Sorocabana Railway is responsible, would be reduced to little over £3,000,000; a very favourable position.

Funds for the service of the £7,500,000 and £4,200,000 valorisation loans derived from the super tax on coffee have been regularly remitted, £1,343,525 being in the hands of our bankers in London for this service.

The valorisation loan contracted in 1908 with the Federal Government, on 31st December, has been reduced to £2,157,359.

## THE COFFEE POSITION.

The coffee position was never more favourable. Competent authorities report consumption to have exceeded production. The world's visible supply by 30th June, 1915, has been reduced to only 7,538,000 bags, the lowest for fifteen years. The world's production of coffee for the current crop, 1st July, 1915, to 30th June, 1916, should be as follows:—

S. Paulo .....	12.000.000	bags
Rio, Bahia and Victoria ...	3.000.000	„
Other countries .....	4.000.000	„
	<hr/>	
	19.000.000	bags

For 1913 consumption was 17,200,000 bags and 18,500,000 bags for 1914, and in the opinion of the leading authorities has reached 21,000,000 for the current crop year. Supposing, however, that consumption for the current season be calcu-

lated on the basis merely of the average for the last three years, the 1915-16 crop would, in any case, be barely sufficient for requirements of consumption. That the statistical position is highly satisfactory is undeniable, so long as sales of coffee are not affected by the extraordinary conditions mentioned above. The only step towards which should be to regulate supplies and put a stop to the precipitancy with which coffee is now sent to market, and is the cause of such losses.

Other measures of defence must be adopted, in which the co-operation of the Federal Government has been invited. To-day, more than ever, the defence of S. Paulo's production has become a national question. At the average price of the last two years, the 1915-16 crop should yield £50,000,000, whilst the value of Imports for the whole of Brazil will in all probability not exceed £30,000,000 and leave a balance of £20,000,000 in favour of Exports, sufficient to, at least, ensure monetary stability. This alone should induce the Federal Authorities to adopt the necessary measures for the defence of our coffee industry, the mainstay of the country's finances.

## BANKS.

The banks within the State of S. Paulo are as follows:—Banco do Commercio e Industria de S. Paulo, Commercial do Estado de S. Paulo, Credito Hypothecario Agricola de S. Paulo, Banco de S. Paulo, Banco de Construções e Reservas, Banca Italiana e Francese per l'America del Sud, Banque Française pour le Brésil, Banque Italo-Belge, British Bank of South America, London and Brazilian Bank, London and River Plate Bank, Brasilianische Bank für Deutschland, Banco Allemão Transatlantico and Banco Español del Rio de la Plata.

The movement of these banks on 31st May last was as follows :

Shareholders .....	Rs.	13.872	:050\$000
Bills discounted .....		75.607	:932\$927
Bills receivable .....		73.068	:724\$191
Bills and values deposited .....		177.570	:039\$101
Accounts current .....		128.511	:386\$963
Correspondents in Brazil .....		23.164	:123\$361
Values deposited .....		277.387	:243\$188
Correspondents abroad .....		22.989	:848\$530
Cash in hand .....		108.335	:577\$040
Collateral .....		110.124	:994\$708
Branches and agencies .....		20.558	:201\$151
Sundry .....		39.534	:307\$921

Total . . . . . Rs. 1,071,054 :729\$081

THE HYPOTHECARY BANK.

With the object of extending the operations of this bank in furtherance of planting and agricultural interests generally, the organisation of the bank has been remodelled. The capital that the bank disposed of had been all employed in loans or mortgage of rural estate to supplement which and in accordance with the federal law 2,863 of 24th August, 1914, a loan was contracted by the Banco de Credito Hypotecario e Agricola, that for some time previous had been struggling with difficulties, with the National Treasury with guarantee of the Government of the State.

The bank in this way was able to advance some Rs. 10,000 :000\$ for upkeep of plantations at a critical moment.

Shortly the bank will receive further assistance in accordance with the terms of law 1,412 of 20th December, 1913, and certain modifications of its regulations will be effected with the object of facilitating operations and particularly of putting advances on a currency in place of gold basis and at the same time extending the dates for amortisation of loans.

It was precisely to facilitate these changes that Government acquired 6,000 out of 20,000 shares that compose the bank's capital, raising the number in the hands of Brazilian shareholders to 13,000 and so putting them in a majority, in view of which the new directorate included three Brazilian and two French directors. As the bank has now a considerable capital at its disposal, it will shortly be in a position to lend efficacious assistance to agriculture in S. Paulo.

In spite of all drawbacks, the financial position of S. Paulo has been maintained unimpaired. The greater part of the stocks of valorisation coffees have been disposed of and as soon as the proceeds are realised, the foreign debt of the State will be reduced to little over three million sterling and its credit maintained at a level that justifies the repeated honourable appreciations by financial authorities.

What is indispensable is to endeavour not only to regulate the financial position by means of a loan repayable at easy dates, but that at the same time the Legislature should co-operate by insisting on the equilibrium between annual Expenditure and Revenue.

Such, Gentlemen, is the information I have the honour of now putting before you.

FRANCISCO DE PAULA RODRIGUEZ ALVES.

S. Paulo, 14th July, 1915.

## MEETINGS OF PUBLIC COMPANIES.

### THE WORKINGTON IRON AND STEEL COMPANY, LTD.

The sixth ordinary general meeting was held at the registered office of the Company, Moss Bay, Workington, on August 27. Sir John Scurrah Randles, M.P. (Chairman of directors), presiding.

The Chairman, in moving the adoption of the report and accounts, said: I do not think that to-day you will expect a very lengthy discussion of the affairs of the Company. You, like all of us, are aware that the circumstances of the past year have been unusual. At the commencement, for the first half of the year we had a very difficult position to face, in respect, for instance, of old contracts that we had to execute, which were loyally carried out with all our customers on a pre-War basis, though, as a matter of fact, costs of materials, wages and everything else very rapidly rose after the outbreak of the War. We readjusted ourselves to the new circumstances, and I think the whole year's results will be as satisfactory to the shareholders as the report indicates it is to the directors. I may mention that we lost over 800 of our staff and employees. We have had no serious trouble with the workmen who remain; they have loyally done their duty. On the whole, on that side of things, I think we may say that we have been well served by our staff and employees, and we are able to give to the shareholders—the proprietors—a satisfactory report in this particular matter.

#### Profit and Dividends.

The profits are dealt with in the balance sheet. As you will see, our profit has been somewhat reduced for the year. There were vague notions in the minds of some sort of people, I believe, that concerns like ours would make huge war profits. If they had had the management of this concern they would know that we had anxious moments, wondering whether there would be any profits rather than whether we should make huge war profits. The result, as you see, is that we report a total profit of £183,917, making, with the amount brought forward, a total of £206,529, which we have dealt with in the report. The Preference dividend is as usual, and we recommend a dividend of 4% on the Ordinary shares. As you know, there was no interim dividend paid, but at this period the shareholders will, as a matter of fact, receive a larger dividend than they have usually received at this time of the year, although a smaller dividend by 2% on the year. A shareholder had written suggesting—and a somewhat similar comment had been made in a newspaper—that we should write off more for depreciation. On the whole, the directors think the amount written off is a fair amount to write off for depreciation. My own view is that depreciation should have some reference to capital expenditure. If you look at the capital expenditure for the year—the addition—you will see it was £22,092, but the previous year it was £82,859, bringing it to over £100,000 for the two years, so that one year it may be more and another year less. But I think £50,000 is a right figure which we should deal with in this manner, year by year, in our concern. The next item is the item of reserve. I will refer to that in a moment. It is the same as last year—£30,000. With regard to the items on the balance sheet, there is no great variation, except in one particular, and that is the Harrington matter, to which I shall refer in a moment. The other items are practically about the same, allowing for the increased values which have to be put on to everything we manufacture: stocks and debts due both ways are, of course, affected by this, by the higher range of values during the year.

#### Investments and Reserve.

The matter to which I said I would refer to our investments. You will notice in the investments on the balance sheet that Harrington Harbour and Workington Harbour remain the same, but there is a little change in the Beckermat Mining Company investment, which is now £11,180, as against £8,968. It has increased somewhat by reason of the taking up of additional shares that were issued by that Company. But the principal change arises in connection with the Harrington Coke Ovens purchase, which you were made aware of twelve months ago. Now that transaction, of course, materially affects the balance sheet. You will see that there is an item now of unpaid purchase money in connection with the acquiring of shares in Harrington Coke Ovens, Limited, £122,359 15s. 4d. That is the amount that was owing at the time this balance sheet was made up. It has since, by payments made, been reduced to £105,700. We hold 125,000, the whole of the shares in this Company. The number of shares which we have handed over as security for the loan referred to in the balance sheet is 75,500, so that 75,500 out of the 125,000 shares are held by the persons who have lent the money. I said I would refer to the item of £30,000 to reserve. You will notice that we had already put to the reserve fund £60,000. My idea is,

without being too exact in the matter, that the reserve fund should find its way by investment into the shares of the Harrington Coke Ovens, Limited, so that your reserve fund will not be a vague lost figure, that is dissipated all over the place and may be anywhere; but you will have, ultimately, your reserve fund in the shares of the Harrington Coke Ovens, Limited, which are a good investment and a good security. It may interest you to know that, taking the whole of our investments together, which stand at £245,399, the dividends we received during the year from these investments were £17,904, so that our investments give a fairly good return. I conclude by saying that I think we have readjusted matters in such a manner, so far as our manufactures are concerned, that we shall be able successfully to get through the year in which we are now entered.

Mr. Joseph Ellis seconded the resolution, which was carried unanimously.

A resolution declaring a dividend of 4% for the year, less income tax, was carried unanimously.

**BANK OF NEW SOUTH WALES.**—Mr. Walter Spencer Morgan Burns, a director of the London Joint Stock Bank, Limited, and the Royal Exchange Assurance Corporation, has accepted a seat on the London board of this Bank.

**BANDARAPOLA (CEYLON) CO.**—Interim dividend of 7½ per cent. actual, less tax.

**HIGHLAND TEA CO. OF CEYLON.**—Interim dividend of 5 per cent. actual, less tax.

**KELANI VALLEY TEA ASSOCIATION.**—Interim dividend of 10 per cent. actual, less tax.

**NATIONAL BANK OF SOUTH AFRICA.**—A branch of this Bank has been opened at Bredasdorp, Cape Province, and also at Keetmanshoop, in the territory hitherto known as German South-West Africa.

**POONAGALLA VALLEY (CEYLON) CO.**—Interim dividend of 5 per cent. actual, less tax.

**ROSEHAUGH TEA AND RUBBER CO.**—Interim dividend of 5 per cent., tax free.

**ST. GEORGE RUBBER ESTATES.**—Interim dividend of 10 per cent. actual, less tax.

## THE CONTRAST.

**Foreign Tyre Makers have contributed nothing to the War, but the Dunlop Company has contributed heavily in Men, Material, and Money, and is continuing to contribute to Britain's cost of the War by helping to maintain Exports.**

**ARE YOU BUYING DUNLOP TYRES?**

**DUNLOP RUBBER COMPANY, LD.,**

Founders of the Pneumatic Tyre Industry throughout the World,

**Aston Cross, Birmingham.**

London: 14 Regent St., S.W.; 140 Clerkenwell Rd., E.C.; and Priory Works, Belsize Rd., Kilburn, N.W.



Trade Mark.

## MISCELLANEOUS.

ARTISANS, LABOURERS AND GENERAL DWELLINGS CO.—Interim dividend at rate of 3 per cent. per annum, less tax, on Ordinary.

ANGLO-MALAY RUBBER CO.—Interim dividend of 5 per cent. on Ordinary.

BRITISH BANK OF SOUTH AMERICA.—Dividend of 3 per cent., less tax.

CANADIAN GENERAL FINANCIAL CO.—Quarterly dividend of 1 1/2 per cent., being at the rate of 6 per cent. per annum on Ordinary stock.

CHIVIOR RUBBER.—Interim dividend of 4 per cent., less tax.

COMMONWEALTH OF AUSTRALIA 4 PER CENT. WAR LOAN.  
The London Manager of the COMMONWEALTH BANK OF AUSTRALIA (through whom the Commonwealth Government War Loan has been issued in Australia) has received notifications by cable of the result. For the first instalment of £5,000,000 of the loan, which bears interest at 4 1/2 per cent., 16,747 applications were received for a total of £12,932,410. These figures do not include applications from towns one postal day distant from the Metropolitan city of each State in Australia which have yet to come in. The details of the subscriptions in the various States are as follows:—

New South Wales ...	4,750 applications for	£5,383,710
Victoria .....	8,072 .....	£5,137,560
Queensland .....	1,523 .....	£1,007,720
South Australia .....	1,347 .....	£ 844,120
Western Australia .....	456 .....	£ 206,560
Tasmania .....	599 .....	£ 352,740

The fact that the first loan issued by the Commonwealth Government of Australia was thus applied for two and a half times over is gratifying evidence of the financial strength of the Commonwealth. As the list closed yesterday it is apparent that no time has been lost by the Commonwealth Bank of Australia in dealing with the applications received by them.

COPE BROTHERS AND CO.—Dividend for the past year of 4s. per share, tax free.

DAVIS AND TIMMINS.—Interim dividend at rate of 6 per cent. per annum, less tax, on Ordinary.

EQUITABLE LOAN CO. OF SCOTLAND.—Further dividend of 10s. per share, making 16s. per share for the year.

GENERAL AND COMMERCIAL INVESTMENT TRUST.—Interim dividend at rate of 4 per cent. per annum on Deferred stock.

HARDY'S CROWN BREWERY.—Quarterly interim dividend on Ordinary of 3 1/2 per cent.

KARAE PARA RUBBER PLANTATIONS CO.—Interim dividend of 15 per cent., less tax.

KOMBOK (F.M.S.) RUBBER CO.—Interim dividend of 5 per cent., less tax.

LABU (F.M.S.) RUBBER CO.—Interim dividend of 7 1/2 per cent., less tax.

LIVERPOOL GAS CO.—Interim dividend at rate of 5 per cent. per annum, less tax, on Ordinary.

LINCOLN WAGON AND ENGINE CO.—Interim dividend of £6 10s. per cent., with deductions for income tax.

LOTHIAN COAL CO.—Dividend of 5 per cent. on Ordinary.

OXFORD ELECTRIC CO.—Interim dividend at rate of 5 per cent. per annum, less tax, on Ordinary.

PELMADULLA RUBBER CO.—Interim dividend of 10 per cent., less tax.

SEAFIELD RUBBER CO.—Interim dividend of 10 per cent., less tax, on Ordinary.

SECOND SCOTTISH AMERICAN TRUST CO.—Interim dividend at rate of 9 per cent. per annum, less tax.

SENA SUGAR FACTORY.—Dividend of 7 per cent. on Ordinary for the year.

SMITH, GARRETT AND CO.—Dividend of 2 per cent. on Ordinary for year, less tax.

STANTLEY COAL AND IRON CO.—Final dividend of 1s. 6d. per share on the fully paid Ordinary shares and 1s. 1 1/2d. per partly paid share, making 12 1/2 per cent. for the year, tax free. It is also proposed to divide the reserves and balance from last year in the form of bonus shares, in the proportion of one new share for every three fully paid shares held and one new share for each partly paid share.

STEEL CO. OF SCOTLAND.—Dividend of 7 1/2 per cent., less tax.

SUNGEI WAY (SELANGOR) RUBBER CO.—Interim dividend of 3s. per share, less tax.

SWAN, HUNTER AND WIGHAM RICHARDSON.—Interim dividend of 6d. per share, less tax, on Ordinary.

SWIFT AND CO.—Quarterly dividend has been increased from 1 3/4 per cent. to 2 per cent.

ULU RANTAU RUBBER ESTATES CO.—First interim dividend of 7 1/2 per cent., less tax.

WEBLEY AND SCOTT.—Interim dividend at rate of 10 per cent. per annum, less tax, on Ordinary.

## NEW ZEALAND.

A Wealthy Country, Splendid Climate, Fertile Soil, Plenty of Water.

An Ideal country for the farmer, the percentage of grain and lambs being phenomenally high.

New Zealand, a country as large as the United Kingdom, with but a million population, has an annual export of raw products exceeding Twenty Million Pounds sterling.

NEW ZEALAND is rich in COAL, IRON, TIMBER, GUM, GOLD and SILVER.

Total yield of Minerals, over One Hundred and Twenty Million Pounds.

Over Eighteen Million Pounds have been advanced by Government to Farmers and Workers for Improvements and Buildings at a low rate of Interest.

The Railways, 3,000 miles, Telegraphs and Telephones, 124,000 miles, are owned and operated by the State.

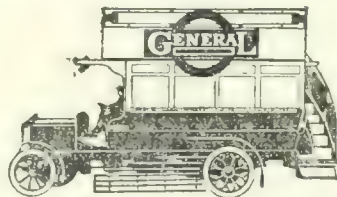
New Zealand has the highest wealth-rate and the lowest death-rate in the World.

To those desirous of making a home in a new country New Zealand offers solid advantages.

Excellent Steamship Services are run direct to New Zealand by the Shaw Savill and Albion Company, Limited, New Zealand Shipping Company, Limited, and the Federal and Shire Lines.

Full information is supplied free by

THE HIGH COMMISSIONER FOR NEW ZEALAND,  
13 Victoria Street, Westminster, London, S.W.



D A 11

LITTLE COUNTRY  
WALKS FOR ALL

## A CORNER OF KENT IN LONDON.

By Route 53 to Greenwich Church, which enter (door at tower), for Wolfe is buried here. On leaving, turn out of Nelson St into Park, and ascend to Observatory for the view of London and the river—Turner's picture in latter day guise. Bear left, past fragment of Roman villa, and through chestnut groves where deer browse, round to Blackheath Gate. Cross Heath diagonally, to left of pond, and traverse passage beside Morden College (by Wren; public may enter grounds). Passage opposite in Kidbrooke Grove leads to a stile, which take, and so along by farm and cornfield (2 miles from Mithall), bearing left at next stile. Near end of rough lane follow path across market gardens on right, then under railway and out through Sherrard Road to Route 21 at Eltham. Court Yard, where Buses halt, leads to the Great Hall of Old Eltham Palace. Walk about 3 miles.

## ROUTE.

- 53 West Hampstead and Plumstead.
- 108 Poplar and Greenwich (connects at Blackwall Lane with 53).
- 21 Wood Green and Sidcup.

The London General Omnibus Co., Ltd.  
Electric Railway House,  
Broadway, Westminster, S.W.

**BANK OF MONTREAL**

Established in 1817.  
Capital Paid up, \$16,000,000.  
Reserve Fund, \$16,000,000.  
Undivided Profits, \$1,252,864.  
H. V. Meredith, Esq., President.  
R. E. Angus, Esq., E. B. Greenfields, Esq., Sir William Macdonald, Hon. Robert Mackay, Sir Thomas Shaughnessy, K.C.V.O., C. R. Hosmer, Esq., A. Baumgarten, Esq., C. B. Gordon, Esq., H. R. Drummond, Esq., D. Forbes Angus, Esq., William McMaster, Esq.  
Head Office: Montreal.  
General Manager: Sir Frederick Williams-Taylor, J.L.D. Assistant General Manager: A. D. Braithwaite, Esq.  
Branches and Agencies throughout Canada and Newfoundland; also at New York, Chicago and Spokane in the United States, and at Mexico City, LONDON OFFICES:

47 Threadneedle Street, E.C., and  
9 Waterloo Place, Pall Mall, S.W.

London Committee: Sir Thomas Skinner, Bart., A. Macdonell, Esq.

Manager: George Cyril Cassels.

**Financial Agents of the Government of the Dominion of Canada.**

The Bank undertakes monetary business with all parts of Canada, Newfoundland and the United States, and issues Sterling and Currency Drafts and Cable Transfers.

**THE ROYAL BANK OF CANADA.**

Capital Authorised - \$25,000,000  
Capital Paid up - \$11,560,000  
Reserve Funds - \$13,000,000  
Aggregate Assets - \$180,000,000

Head Office—MONTREAL.

Sir HERBERT S. HOLT, E. L. PEASE, President, Vice-President and General Manager, 340 Branches in Canada and Newfoundland.  
28 Branches in Cuba, Porto Rico and Dominican Republic.

BRANCHES IN BRITISH WEST INDIES.  
ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; ST. KITTS—Basseterre; TRINIDAD—Port of Spain; San Fernando.

Branch in British Honduras—BELIZE.

Branches in British Guiana—GEORGETOWN, NEW AMSTERDAM, ROSE HALL.

New York Agency, Corner William & Cedar Streets.

LONDON OFFICE:  
2 Bank Buildings, Princes Street, E.C.  
JAMES MACKIE, Joint Manager.

**THE CANADIAN BANK OF COMMERCE.**

Sir EDMUND WALKER, C.V.O., LL.D., D.C.L., President.

ALEXANDER LAIRD, General Manager.

JOHN AIRD, Assistant General Manager.

Paid-up Capital ... \$3,082,192

Reserve Fund ... \$2,773,972

Panama-Pacific International Exposition, San Francisco, Cal.

This Bank having its own Branch at SAN FRANCISCO, CAL., is able to offer special facilities to visitors to the Panama-Pacific International Exposition. Branches at Portland, Seattle, Vancouver, Victoria, and other points on the Pacific Coast.

Drafts, Money Orders and Travellers' Letters of Credit issued, payable at any of these places.  
London Office: 2 Lombard Street.

H. V. P. JONES, Manager.

**IMPERIAL BANK OF CANADA.**

HEAD OFFICE—TORONTO.

CAPITAL AUTHORIZED ... \$10,000,000  
CAPITAL PAID UP ... \$7,000,000  
RESERVE FUND ... \$7,000,000

Branches in the Provinces of ONTARIO, QUEBEC, MANITOBA, SASKATCHEWAN, ALBERTA and BRITISH COLUMBIA.

SETTLERS and others going out to any of the Provinces named afforded exceptional Banking facilities.

Agents: ENGLAND—LLOYDS BANK LIMITED, 17 Cornhill, London, E.C., and Branches.

Agents: SCOTLAND THE COMMERCIAL BANK OF SCOTLAND, LIMITED, and Branches.

DRAFTS issued upon and remittances cable to any point in CANADA by the Agents of the Bank in England and Scotland, through whom inquiries regarding Canadian securities and business generally can be made and will be promptly attended to.

**CANADA.****THE BANK OF BRITISH NORTH AMERICA.**

Established 1836.

Incorporated by Royal Charter, 1840.

PAID UP CAPITAL, £1,000,000. RESERVE FUND, £200,000.

Head Office: 9 GRAY CHURCH ST. LONDON, E.C.

CHIEF OF PRINCIPAL

F. R. S. Balloun, F. G. H. H. H. H.

J. B. Brodie, F. G. H. H. H. H.

J. H. M. Campbell, F. G. H. H. H. H.

E. A. H. H. H. H. H. H.

Deposits received at rates which may be obtained on application.

Bills of Exchange negotiated.  
Dividends and Coupons collected.  
Purchase of Stocks and Shares.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

**THE EASTERN BANK, LIMITED.**

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorized Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD RALPH OF BURLINGHAM, K.T.

(Chairman).

Sir Jacob B. Sassoon, Bart. EMILE FRASCOU, Esq.

J. C. GEORGES BOUTILLAT, Esq. J. S. HASKELL, Esq.

G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq.

C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

I. H. SUTTON, Manager.

**THE UNION BANK OF AUSTRALIA, Limited.**

ESTABLISHED 1837. INCORPORATED 1880.

Authorised and Issued Capital, £5,000,000.

Paid up Capital £2,000,000 together £3,000,000

Reserve Fund £1,500,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserve .. £7,500,000

HEAD OFFICE: 71 CORNHILL, LONDON, E.C.

DRAFTS are granted on the Bank's branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made.

BILLS are purchased or sent for collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

**BANK OF NEW SOUTH WALES.**

Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital ... £3,500,000

Reserve Fund ... 2,550,000

Reserve Liability of Proprietors ... 3,500,000

Total ... £9,550,000



The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australian banking business.

DAVID GEORGE, Manager

**THE WESTERN AUSTRALIAN BANK.**

Established 1841.

Paid-up Capital ... £250,000 0 0

(25,000 Shares of £10 each)

Reserve Fund ... £680,000 0 0

Reserved Profits ... £21,878 0 0

Reserve Liability of Shareholders, £250,000.

Drafts issued. Remittances cable. Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all Banking and Exchange Business connected with Western Australia conducted through the London Agents.

The Bank of Adelaide, 11 Leadenhall Street, E.C.

DAVID GEORGE, Manager

DAVID GEORGE, Manager

DAVID GEORGE, Manager

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DAVID GEORGE, Manager

**THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.**

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. P. SHANBACHER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—R. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—A. P. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents  
"FOURTH BANK," SAMUEL MONTAGU & CO.

LONDON CITY AND MIDLAND BANK, LTD.

LLOYDS BANK LTD.

**NATIONAL BANK OF INDIA LIMITED.**

Bankers to the Government in British East Africa and India.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya
Bombay	Chittagong	Zanzibar
Madras	Rangoon	Mombasa
Karachi	Manila	Nairobi
Cawnpore	Aden and	Nakuru
Lahore	Aden Point	Kisumu
Amritsar	Colombo	Entebbe
Delhi	Kandy	Kampala
Tuticorin		Uganda
		Junja

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National

Provincial Bank of England, Limited; National Bank

of Scotland, Limited.

The Bank conducts every description of Eastern

banking business.

Deposits received for fixed periods at rates to be

obtained on application. Interest payable June 30

and December 31.

Current accounts are opened, and provided they do

not fall below £200 interest is allowed on the minimum

monthly balances at the rate of 2 per cent. per annum.

**THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.**

Registered in the Transvaal.

(With which are incorporated the Bank of Africa, Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South

Africa in the Transvaal, Natal and Orange Free State.

Bankers to the Imperial Government in South Africa.

London Offices—Circus Place, London Wall, E.C., and

117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of

South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and

all descriptions of Banking business connected with

South Africa and the Belgian Congo transacted on

terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

**RUSSIAN & ENGLISH BANK**

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000.

Reserve Fund, £126,000.

English Members of the Council of the Bank include

Lord Balfour of Burleigh, K.T.

Sir Ian H. Amory, Bart.

The Bank transacts every description of Banking

Business; collects Cheques, Bills, Documentary Bills

in all parts of the Russian Empire. Undertakes the

Agency of Banks and the purchase and sale of Russian

Stocks and Shares.

Telegraphic Address: Britovasse, Petrograd.

**Ernesto TORNQUIST**

& CO. LDA.

BUENOS AIRES.

Established 1830.

Oldest Business Establishment in the River Plate.

CAPITAL FULLY PAID UP AND RESERVES, £2,325,036.

GENERAL FINANCIAL, BANKING AND COMMERCIAL BUSINESS.

# The Statist,

A Journal of Practical Finance and Trade.

REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

VOL. LXXXV.—No. 1,959.] SATURDAY, SEPTEMBER 11, 1915. [PRICE 6d. POST FREE 6d. U.K.]

## SALES BY AUCTION.

### JOHN HOARE AND CO.

will Offer for SALE by PUBLIC AUCTION at the WOOL EXCHANGE, Coleman Street, E.C., on Saturday 11th September, Monday, 20th September, and Tuesday, 28th September, 9,200 Bales AUSTRALASIAN WOOL  
5,000 „ PUNTA ARENAS WOOL  
500 „ FALKLAND ISLANDS WOOL  
800 „ ENGLISH WOOL.  
Catalogues in due course of JOHN HOARE and CO., 73 Basinghall Street, London, E.C.

### JACOMB, SON and CO. will

OFFER by AUCTION at the WOOL EXCHANGE, Coleman Street, E.C., on Thursday, 9th, Saturday, 18th, Friday, 24th, and Thursday, 30th September,

WOOL—17,000 BALES COLONIAL.  
Catalogues and further particulars of the Brokers, Moorgate House, 61 Moorgate Street, E.C.

### BANCO DE CHILE.

London Agency—  
94 GRACECHURCH STREET, E.C.  
Chilian Dollars.  
Paid-up Capital ... .. \$40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.  
The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

### CREDITO ITALIANO.

Capital fully paid and Reserve ... £3,460,000  
Head Office: MILAN.

The Bank has Branches at Genoa, Rome, Turin, Naples, Florence, Catania, Bari, and numerous other important towns in Italy.

LONDON BRANCH:  
22 ABCHURCH LANE, E.C.  
Managers: J. GEORGE MANZI-FE.  
DAVID A. HORNER.

Transacts a general Foreign Banking Business, having Correspondents in all European Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.  
Telegrams: "Italcrodi, Cable, London."  
Telephones: 7802, 7803 City.

### NETHERLANDS BANK OF SOUTH AFRICA.

Authorised Capital ... .. £750,000  
Subscribed and Paid-up Capital ... £240,000

Head Office ... AMSTERDAM.  
London Agency ... 2 GT. WINCHESTER ST., E.C.  
London Manager J. COST BUDDE.

All descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.  
Subscribed Capital ... .. Yen 48,000,000  
Capital Paid up ... .. 30,000,000  
Reserve Fund ... .. 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at  
Antung-Hsien Liao Yang Peking  
Bombay London Kyojun (Port)  
Calcutta Los Angeles Arthur  
Changchun Lyons San Francisco  
Dairen (Dalay) Fengtien Shanghai  
Hankow (Mukden) Sydney  
Harbin Nagasaki Tieling  
Hong Kong Newchwang Tientsin  
Honiululu New York Tokio  
Kobe Osaka Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.  
London Office—  
7 Bishopsgate, E.C.

### THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410

Petrograd, Moscow, Paris.  
And over 100 Branches in Russia.

London Offices:  
24 28 LOMBARD STREET, E.C.

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Current Accounts opened and deposits received on terms which may be ascertained on application.

### COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.  
Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia.

Special facilities for the remittance of Settlers' funds.

London Office:  
36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

### STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100

PAID-UP CAPITAL ... .. £1,548,525

RESERVE FUND ... .. 2,000,000

UNCALLED CAPITAL ... .. 4,645,575

£8,194,100

#### BOARD OF DIRECTORS—

W. R. Arbuthnot, Esq. Horace Peel, Esq.  
Sir David Miller Barbour, William Smart, Esq.  
K.C.S.I., K.C.M.G. Right Hon. Lord  
Robert E. Dickinson, Esq. Sydenham, G.C.S.I.,  
James Fairbairn Finlay, G.C.M.G., G.C.I.E.  
Esq., C.S.I. Rt. Hon. Lord Welby,  
P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE, LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.  
New York Agency: 55 Wall Street.

OVER 220 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED AND COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.  
NOEL JENNINGS, London Manager.

### BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.  
City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place, Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800

Manager—E. Consolo.

Sub-Managers: A. Rossi.  
R. B. Handley.  
G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANCAISE et ITALIENNE POUR L'AMERIQUE DU SUD, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and

SOCIETA COMMERCIALE D'ORIENTE, Milan and Tripoli.

Agents and Correspondents in all parts of the world.

### LONDON BANK of AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital ... .. £1,276,747 10 0

Paid-up Capital ... .. 669,587 10 0

Reserve Fund and Undivided

Profits ... .. 328,317 13 0

Reserve Liability of Proprietors 607,160 0 0

Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

### BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund ... .. £P.300,000

#### BRANCHES IN:

Piura, Callao, Mollendo,  
Chiclayo, Cerro de Pasco, Arequipa,  
Pacasmayo, Chincha Alta, Cuzco,  
Trujillo, Ica, Iquitos,  
Huaras, Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

### HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000

RESERVE FUNDS.

STERLING RESERVE, held in London at Exchange of 2s. per \$

=£1,500,000 Sterling,

invested in Consols and other Sterling

Securities ... .. \$15,000,000

SILVER RESERVE ... .. 18,000,000

\$33,000,000

RESERVE LIABILITY OF PROPRIETORS ... .. \$15,000,000

COURT OF DIRECTORS and HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.

Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.

Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, Managers

H. D. C. JONES, in London.

JOHN MACLENNAN, Sub-Manager.

W. M. BLACKIE, Accountant,

9 Gracechurch Street, London, E.C.

# METROPOLITAN WATER BOARD BILLS.

1. The Metropolitan Water Board hereby Give Notice that Tenders will be received at the Chief Cashier's Office at the Bank of England, on Monday, the 14th September, 1915, at One o'clock, for Metropolitan Water Board Bills, to be issued in conformity with the Metropolitan Water Board Acts, 1904 and 1915, to the amount of £1,300,000 (one million three hundred thousand pounds), of which £1,000,000 will be in replacement of Bills falling due on the 18th instant.

2. The Bills will be in amounts of £500, £100, £50, and £25. They will be dated the 18th day of September, 1915, and will be payable at six months after date, viz., on the 18th day of March, 1916.

3. The Tenders must specify the net amount per cent, which will be given for the amounts applied for, and the Tenders of Private Individuals must be made through a London Banker.

4. The Bills will be issued and paid at the Bank of England.

5. The persons whose Tenders are accepted will be informed of the same on Tuesday, the 14th September, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England not later than Twelve o'clock, on Saturday, the 18th September, 1915.

6. The Metropolitan Water Board reserve the right of rejecting any Tenders.

7. Tenders should be on the printed form which can be obtained from the Accountant to the Board at these Offices, and at the Chief Cashier's Office, Bank of England, or at any of the Branches of that Bank.

8. The Treasury has been consulted under the Notification of the 18th January, 1915, and raises no objection to this issue. It must be distinctly understood that in considering whether they have, or have not, any objections to new issues, the Treasury does not take any responsibility for the financial soundness of any schemes, or for the correctness of any of the statements made, or opinions expressed, with regard to them.

A. B. PILLING, Clerk.

Metropolitan Water Board Offices,  
Savoy Court Strand, W.C.,  
7th September, 1915.

# THE BANK OF BRITISH NORTH AMERICA.

Incorporated by Royal Charter

The Court of Directors hereby Give Notice that an Interim Dividend for the half-year ending 31st May last of forty shillings per share, being at the rate of eight per cent. per annum, will be paid, less income tax, on the 8th day of October next, to the proprietors of shares registered in this country.

No Tenders can be made between the 24th inst. and the 7th proximo inclusive, as the books must be closed during that period.

By Order of the Court,  
JACKSON DOBBS, Secretary.

5 Gresham Street,  
London, E.C.,  
7th September, 1915.

# EAST RAND PROPRIETARY MINES LIMITED

(Incorporated in the Transvaal)

To the Holders of outstanding Five per Cent. Mortgage Debentures of the issue of £1,500,000 of East Rand Proprietary Mines Limited, secured by Trust Deed dated the 22nd day of February, 1911.

WHEREAS in terms of the Debenture Trust Deed the Company has annually to pay off one-fifteenth of the outstanding Debentures at 1st of March, 1914, and whereas at that date £1,350,000 of Debentures were outstanding, and whereas the Company has purchased since the 1st March, 1915, £90,000 (i.e. one-fifteenth of £1,350,000) of Debentures of the above issue, NOTICE IS HEREBY GIVEN that the said £90,000 of Debentures will, pursuant to the conditions expressed upon the said Debentures and the provisions of the above-mentioned Trust Deed be treated as a satisfaction of the obligation of the Company to make a drawing of Debentures for payment on the 1st day of March, 1916, and no such drawing will therefore be made.

Dated the 6th day of September, 1915.

By Order,  
HERBERT T. HAYWARD, London Secretary.

London Transfer Agency,  
4 London Wall Buildings, E.C.

# THE AUSTRALIAN ESTATES AND MORTGAGE COMPANY, LIMITED

NOTICE IS HEREBY GIVEN that the Transfer Books of the 4½ per cent. First Mortgage Debenture stock of the above Company will be closed from the 17th to 30th September, 1915, both days inclusive, for the preparation of Interest Warrants payable on 1st October, 1915.

By Order of the Board,

A. W. STEVENS, Secretary.

Offices of the Company,  
96 Lombard Street, E.C.,  
7th September, 1915.

# THE NATIONAL BANK OF INDIA, LIMITED

NOTICE IS HEREBY GIVEN that the Transfer Books of the Bank will be closed from the 8th to 16th inst., both days inclusive.

By Order of the Board,  
C. NICOLL, London Manager.

The National Bank of India, Limited,  
26 Bishopsgate, London,  
8th September, 1915.

# LONDON ASSURANCE CORPORATION.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Corporation will be closed from the 10th to the 24th instant, both days inclusive, for the preparation of the dividend payable on the 1st October.

C. A. DENTON, Secretary.

7 Royal Exchange, London, E.C.,  
7th September, 1915.

# THE MORGAN CRUCIBLE COMPANY, LIMITED.

The Transfer Books of the Company will be closed from September 16th to 30th inclusive for the preparation of Dividend Warrants.

By Order of the Board,  
H. C. V. ADAMS, Secretary.

Battersea Works, S.W.

# CITY OF CALGARY FOUR-AND-A-HALF PER CENT. DEBENTURES.

The Coupons falling due 1st October, 1915, on the above-mentioned Debentures may be presented on and after the 20th inst., between the hours of 10 and 4 o'clock (Saturdays excepted), at the Bank of Montreal, 47 Threadneedle Street, E.C. Three clear days required for examination. Lists may be obtained on application.

For Bank of Montreal,  
G. C. CASSELS, Manager.

47 Threadneedle Street, E.C.,  
6th September, 1915.

# PARKER'S BURSLEM BREWERY, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Four per Cent. Debenture stock and the Four-and-a-Half per Cent. Debenture stock of this Company will be closed from the 15th inst. to the 28th inst., both days inclusive.

W. A. COWLISHAW, Secretary.

Dated Burslem,  
2nd September, 1915.

# MANN, CROSSMAN & PAULIN, LIMITED

NOTICE IS HEREBY GIVEN that the Transfer Books relating to the Four per Cent. Irredeemable Mortgage Debenture stock and the Four-and-a-Quarter per Cent. Cumulative Preference shares of this Company will be closed from 3 p.m. on Wednesday, 15th September, to the 30th inst. inclusive, preparatory to the payment of the half-yearly interest and dividend due 1st October, 1915.

By Order,  
A. B. MASON, Secretary.

The Albion Brewery,  
Mile End, London, E.

# A POLLINARIS & JOHANNIS, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Four per Cent. Irredeemable Debenture Stock will be closed from September 16th to 30th, both days inclusive, for the preparation of Interest Warrants payable on the 1st October.

By Order of the Board,  
J. WESTLAKE LACK, Secretary.

4 Stratford Place, Oxford Street,  
London, W.,  
9th September, 1915.

# CITY OF SASKATOON FOUR-AND-A-HALF PER CENT. CONSOLIDATED STOCK AND FIVE PER CENT. CONSOLIDATED STOCK 1914-15.

For the purpose of preparing the Interest Warrants due 1st October, 1915, the Balances were struck on the evening of the 1st September, 1915, after which date the Stock can only be transferred ex-dividend.

For Bank of Montreal,  
G. C. CASSELS, Manager.

47 Threadneedle Street, E.C.,  
10th September, 1915.

# NORFOLK AND WESTERN RAILWAY COMPANY.

The Annual Meeting of the Stockholders of the Norfolk and Western Railway Company will be held at the principal office of the Company in the City of Roanoke, Virginia, on Thursday, the 14th day of October, 1915, at 10 o'clock a.m., to elect Directors, to elect independent auditors to audit the books and accounts of the Company for the fiscal year, to consider the annual report of the Directors for the year ended June 30th, 1915, to ratify and approve all action of the Directors set forth in such annual report and in the minutes of the Company, and to transact such other business as may properly come before the meeting. The Stock Transfer Books will be closed at 3 o'clock p.m. Wednesday, September 29th, 1915, and re-opened at 10 o'clock a.m. Friday, October 15th, 1915.

By Order of the Board of Directors,  
E. H. ALDEN, Secretary.

# ACHILLE SERRE, LIMITED.

The Transfer Books will be closed from the 20th to the 30th of September inclusive for the preparation of Dividend Warrants.

# THE GRAND TRUNK RAILWAY COMPANY OF CANADA.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company, so far as regards the Perpetual Four per Cent. Consolidated Debenture Stock, will be closed from Saturday, the 18th September, to Wednesday, the 13th October, 1915, both days inclusive.

Warrants for the Interest accrued to the 30th September, 1915, will be forwarded on the 13th October next to all proprietors of this Stock registered on the Books of the Company on the 18th September, 1915.

By Order,  
H. H. NORMAN, Secretary.

Dashwood House,  
9 New Broad Street, London, E.C.,  
10th September, 1915.

# UNION BANK OF CANADA.

Incorporated 1865. Head Office, WINNIPEG.

Paid-up Capital	...	...	\$5,000,000
Retained Undivided Profits	...	...	3,600,000
Total Assets over	...	...	80,000,000

The Bank has over 300 Branches in CANADA and Agents in the principal Cities in AMERICA.

LONDON COMMITTEE: J. Leigh Wood, Esq., C.M.G.; Hon. Sidney Peel; P. W. Ashe, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to

LONDON OFFICES: 6 PRINCES STREET, E.C.  
26 HAYMARKET, S.W.

# ENGLISH, SCOTTISH AND AUSTRALIAN BANK (Limited).

Head Office: 38 Lombard Street, E.C.

Subscribed Capital	...	...	£1,078,875 0 0
Paid-up Capital	...	...	539,437 10 0
Further Liability of Proprietors	...	...	539,437 10 0
Reserve Fund	...	...	350,000 0 0

LETTERS OF CREDIT AND DRAFTS on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office or through the Agents of the Bank in the chief Provincial Towns throughout the United Kingdom.

REMITTANCES made by TELEGRAPHIC TRANSFER, BILLS NEGOTIATED or forwarded for COLLECTION, BANKING and EXCHANGE business of every description transacted with Australia

E. M. JANION, Manager.

# BANK OF NEW SOUTH WALES.

Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital	...	...	£3,500,000
Reserve Fund	...	...	2,550,000
Reserve Liability of Proprietors	...	...	3,500,000
	...	...	£9,550,000



The London Office issues Drafts on demand on its Head Office and Branches in Australia, New Zealand, Tasmania, Fiji and Papua, and on its Correspondents in Tasmania. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian banking business.

DAVID GEORGE, Manager.

# NATIONAL BANK OF NEW ZEALAND LIMITED.

HEAD OFFICE—LONDON.

AUTHORISED CAPITAL	...	...	£3,000,000
SUBSCRIBED CAPITAL	...	...	2,250,000
PAID-UP CAPITAL	...	...	750,000
RESERVE FUND	...	...	685,000
UNCALLED CAPITAL	...	...	1,500,000

Receives Deposits of £50 and upwards, for 1, 2 or 3 years, at 4 per cent. per annum.

Drafts, Letters of Credit and Wire Remittances granted, and Bills on New Zealand purchased or sent for collection.

H. THIRLWATER, Secretary and London Manager,  
17 Moat Gate Street, London, E.C.



**LONDON AND BRAZILIAN**

BANK, LIMITED.

7 Tokenhouse Yard, E.C.

SUBSCRIBED CAPITAL, 125,000	
Shares of £20 each	£2,500,000
PAID-UP CAPITAL	1,250,000
RESERVE FUND	1,400,000

Branches in Brazil at Rio de Janeiro, Para, Ceara, Manaus, Pernambuco, Bahia, Santos, Sao Paulo, Curitiba, Rio Grande do Sul, Porto Alegre, River Plate, Buenos Ayres, Rosario, and Montevideo. United States—New York (Agency). France—Paris (5 Rue Scribe). Portugal—Lisbon and Oporto. Agents or Correspondents in all the principal cities of Brazil, Uruguay, Argentina, the United States and Europe.

Drafts, Letters of Credit, and Cable Transfers issued on Branches and Agents. Bills of Exchange negotiated or sent or collection, and every description of Banking business undertaken.

**BANK OF NEW ZEALAND.**

Incorporated 29th July, 1861.

(Bankers to the New Zealand Government.)

LONDON OFFICE:—1 Queen Victoria St., London, E.C.

AUTHORISED CAPITAL	£5,500,000.
SUBSCRIBED CAPITAL:	
Four per Cent. Guaranteed Stock	£528,988
"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares issued to New Zealand Government	250,000
Ordinary Shares	1,500,000
	£2,778,988

Reserve Fund and Undivided Profits ... £2,057,170  
Negotiates and collects Bills of Exchange.  
GRANTS DRAFTS on its Offices in New Zealand, Australia, Fiji and Samoa.  
Remittances made by telegraphic transfer.  
ALEXANDER KAY, Manager.

**PRUDENTIAL ASSURANCE**

COMPANY, LIMITED.

HOLBORN BARS, LONDON.

INVESTED FUNDS EXCEED - £90,000,000  
CLAIMS PAID - £118,000,000

**THE ANGLO-SOUTH**

AMERICAN BANK, LIMITED.

Authorised Capital—

Subscribed	£4,500,000
Unissued	500,000
	£5,000,000

Capital Issued and Paid up	£2,250,000
Reserve Fund	1,400,000
Uncalled Liability of Shareholders	2,250,000
Total responsibility for Creditors	£5,900,000

Head Office: OLD BROAD STREET, LONDON, E.C.  
Paris Branch: 19 Boulevard des Capucines and 23 Rue de la Paix.  
Hamburg Branch: 3 Adolphsplatz.  
New York Agency: 60 Wall Street.

Branches and Correspondents in all the principal places of South America.  
Cable Transfers, Drafts, and Letters of Credit issued. The Purchase and Sale of Funds, the receipt of Dividends, the negotiation and collection of Bills of Exchange, Coupons, and Drawn Bonds, and other Banking Business undertaken with all parts of South America.

Current Accounts opened and Deposits received for fixed periods on terms which may be ascertained on application.

**THE ANGLO-EGYPTIAN**

BANK, LIMITED.

SUBSCRIBED CAPITAL ... £1,500,000.  
PAID UP, £500,000. RESERVE FUND, £680,000.  
BRANCHES: Alexandria, Cairo, Beni-Suef, Mansourah, Port Said, Tantah, Zagazig, Khartoum, Malta, Gibraltar, Paris.  
BANKERS: The Bank of England. The London Joint Stock Bank.

The Bank transacts every description of Banking business in Egypt, grants Letters of Credit, and affords facilities to travellers proceeding to Egypt and elsewhere.  
Deposits received for one year at 4½ per cent per annum.

On current accounts, Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

27 Clement's Lane, Lombard Street, E.C.

**THE STOCK EXCHANGE.**

NOTICE.

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the words "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITHE,  
Secretary to the Committee of the  
Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

EXECUTORS, TRUSTEES, SOLICITORS and OWNERS selling Works of Art, Family Jewels, Old Silver, Furniture, Pictures, Prints, Miniatures, China, Coins, Books, Old Lace, Furs, Musical Instruments, Guns, Trade Stocks and other valuables are informed that Messrs.

**KNIGHT, FRANK & RUTLEY'S**  
Sale Rooms, 20 HANOVER SQUARE, W.,  
are Open Daily to receive Goods intended for Public Sale.

Auctions on Owners' premises in all parts of the country are held as required.

**The Mechanics and Metals National Bank**OF THE  
**CITY OF NEW YORK.**

ESTABLISHED 1810.

CAPITAL (FULLY PAID)	\$6,000,000
SURPLUS AND UNDIVIDED PROFITS	\$9,000,000

THIS BANK RECEIVES ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS, AND INDIVIDUALS ON FAVOURABLE TERMS, AND GRANTS TO ITS DEPOSITORS EVERY FACILITY CONSISTENT WITH PRUDENT AND CONSERVATIVE BANKING METHODS. CORRESPONDENCE INVITED.

FOREIGN DEPARTMENT.

Finances Exports and Imports, buys and sells Foreign Exchange, Telegraphic Transfers, &c., and makes Collections on all parts of the world.

LONDON BANKERS:  
LONDON JOINT STOCK BANK LTD.  
LONDON CITY AND MIDLAND BANK LTD.

**AUSTRALIA**

BY THE

**ORIENT LINE**

Under Contract to carry His Majesty's Mails to

FREMANTLE, ADELAIDE,  
MELBOURNE, SYDNEY and BRISBANE,  
Calling at

Gibraltar, Port Said and Colombo.

Through Booking to  
**NEW ZEALAND and TASMANIA.**

Tickets interchangeable with P. &amp; O. Line.

Twin sc.					
steamers.	Tons.	London.	Plym'th.	Toulon.	Naples.
ORONTES	9,223	Sept. 25	Sept. 30	Oct. 3	Oct. 4
OMRAH	8,130	Oct. 28	Oct. 24	Oct. 31	Nov. 1

Managers—F. Green & Co. and  
Anderson, Anderson & Co.

For passage apply to the latter firm at 5 Fenchurch Avenue, E.C., or to the Branch Office, 28 Cockspur Street, S.W.

**THE FINANCIAL POST OF CANADA,**

"The Canadian Newspaper for Investors,"

is the most widely read and influential financial paper in the Dominion. Its articles are written by men who know Canadian conditions thoroughly, and its forecasts are reliable.

The investor in any class of Canadian security, and those on the look-out for more advantageous investments for their capital, should study its columns regularly. It is an unexcelled medium for the announcements of Banks, Bond Houses, Financial Agents, Trust, Loan, Insurance and Real Estate Companies, Mining Equipment, &c., and all advertisements designed to reach the wealthy and influential classes all over the Dominion.

**THE INVESTORS' INFORMATION BUREAU**

will give reliable and unbiased advice by mail on any matter of investment interest free to subscribers.

Send 2 penny stamps for Specimen Copy.

GREAT BRITAIN and COLONIES 12s. 6d. per annum.

FRANCE and other EUROPEAN COUNTRIES 16s. 6d. per annum.

BRITISH OFFICE—88 FLEET STREET, LONDON, E.C.

HEAD OFFICE—TORONTO, CANADA.

**THE NATIONAL BANK OF SCOTLAND LIMITED**

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.

**Head Office—EDINBURGH.**

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

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(APRIL-JUNE, 1915)

OF

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# The Statist.

LONDON, SATURDAY, SEPTEMBER 11, 1915.

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# The Money Market.

Friday Evening, September 10, 1915.

# Bank of England and Deposit Rates:—

DATES FIXED.	BANK OF ENGLAND RATE.	DEPOSIT RATES.		
		BANKS. NOTICE.	DISCOUNT CALL.	HOUSES. NOTICE.
Sept. 2, 1915 ...	%	3½	%	%
July 22, " ...	—	3	3½	3½
April 8, " ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

# Treasury Bills:—

Price ... £98 17s. 6½d. 6 MONTHS. £97 15s. 1½d. 9 MONTHS. £96 12s. 5½d. 12 MONTHS. £95 10s.  
Discount Rate 4½% 4½% 4½% 4½%

# Discount Rates:—

60 DAYS. 3 MONTHS. 4 MONTHS. 6 MONTHS  
Bank Bills ... 4½-½ 4½ 5-½ 5½-½  
Trade Bills ... 5½ 5½-½ 6

## MONEY.

In the days of inflation and distended credit, the best thing that can happen to the Money market is to have as little history as possible, and to make slow and gentle progress towards normal conditions. Any sudden or violent change in financial affairs causes so much disturbance that even improvement should be very gradual if its effect is to be really salutary. From this point of view, the events of the week may be called satisfactory. A moderate amount of gold has been returned from circulation, or hoarding, at home; a rather larger amount has been taken for export; discount rates have been kept steady, and the endeavour to maintain an effective agreement in loan rates has been, on the whole, successful; a round 10 millions has been taken off the Government securities held by the Bank of England; the Board of Trade returns have shown a moderate reduction, as compared with those for July, in the extent of our adverse trade balance; and the New York Exchange has achieved a slight recovery.

All these things are to the good, and the pace of improvement, though slow, is perhaps as fast as the market wants in its present very sensitive condition, except that in the matter of the adverse trade balance we should welcome a much more speedy reduction in the volume of value of our imports. It is all to the good that we should, during this crisis, reduce to a minimum the amount of gold that we use in home trade. Paper is just as efficient as gold, as long as it is well backed by metal and confidence, as a medium of exchange; and since gold is one of the few commodities that are certain of acceptance abroad in payment for the goods that we need for ourselves and our Allies, the less of it that is wasted in circulation the better. It is also satisfactory that we should be shipping gold freely and showing that, even in the days of the biggest war ever fought, we are still the only nation that understands that a holding of cash is for use not ornament, and that we have no hesitation in parting with it to meet payments that help us to victory. Dr. Helfferich, whose speech in the German Reichstag is dealt with in another column, maintains that we have in vain tried to follow the example of the Reichsbank in piling up a mountain of gold. There he wrongs us, for we have, and have had, no such ambition. This is one of the matters in which we have always beaten Germany. No centre can be a great international banker until it is as ready to let gold go as to take it in. Berlin has never found this out, or has not had the courage to act on it.

The behaviour of the Discount market is all that can be expected in present conditions. It might be more satisfactory if the Bank-rate were really effective, that is, if the market rate for three months' bills were closer to the official level. But, as we pointed out a week ago, Bank-rate is now hardly a factor in the exchange position, which is dominated by our huge purchases in America and our restricted power to export. The real problem that has now to be dealt with by the Money market is the restoration of its status to something like the pre-war conditions. At present it is suffering from a condition of inflation which makes its whole life artificial, and leaves it no principles to work by. The extent of this inflation is marked by several symptoms, the most notable of which is the increase of no less than 135 millions in the Bank of England's holding of securities since July 15, 1914. This increase is now chiefly due to causes over which the market has little or no control. Originally it was brought about by the Bank's huge advances to acceptors to meet bills against which they had received no remittances. The greater part of these advances, however, has long ago been liquidated, and it is understood that the rest of them has been taken over by the Government. This being so, and since we know from

the published statements of income and expenditure that the Government has repaid the Bank about 160 millions in all, it is rather difficult to understand why the Bank's holdings of securities are still so high. Advances to Allies and to holders of War Loan presumably account for it. Whatever the cause, the market cannot be healthy until this big turnover of book-keeping credit is cut away. The decrease of 10 millions in the Government securities is thus a movement in the right direction, which ought to be continued steadily and rapidly.

This is no mere academic contention in the interests of pretty book-keeping. It is a matter of great practical importance, affecting our whole financial position. Inflation helps to produce high prices, over-consumption, adverse exchanges, and all the evils from which our finance is now suffering. Its reduction will not cure them all. Several other doctors are required for a cure, especially the wise physician who will lower the patient's diet by means of widespread and bold taxation. But the surgeon who will reduce the inflation in the Bank of England's assets, and the consequent artificial distension of its liabilities, and so ultimately of the public's buying power, will be doing much to bring our economic temperature down from its present feverish level.

It is almost a matter of surprise that discount rates should be firmer, having regard to the very small number of bills now coming to market. Possibly dealers may be anticipating greater activity in the Bill market when the American exchange problem has been dealt with, and there is an idea that at the end of next month the Bank of England may raise the rate for Treasury bills to  $4\frac{1}{2}\%$ . The only reason probably for deferring an advance until the end of next month is that until the War Loan is fully paid up, Treasury bills can be sold to the Bank at  $4\frac{1}{2}\%$  in connection with "call" payments. Money, too, is gradually improving in value. Brokers who could borrow over the night at  $3\frac{1}{2}\%$  now quote  $4\%$  as the minimum, whilst the volume of money offering for a week at  $4\frac{1}{2}\%$ , that is to say at  $\frac{1}{4}\%$  below the convention rate, has almost disappeared.

### METROPOLITAN WATER BOARD BILLS.

TENDERS will be received at the Bank of England on Monday next, September 13, for Metropolitan Water Board bills to the amount of £1,300,000, of which £1,000,000 will be in replacement of bills falling due on the 18th instant. The new bills will be dated September 18, 1915, and will be payable at six months after date—namely, on March 18 next.

### BANK OF ENGLAND.

THANKS to the growing disposition on the part of the public to economise in the use of gold by accepting notes, the inflow of gold from home circulation is doing much to counteract the withdrawals of gold for export, which have lately been heavy. During the week ended Wednesday night the Bank lost more than £2 millions of gold for export; but, owing to the continued inflow of coin from the country which has now been steadily in progress since the first week of July, the net result was a loss in the bullion item of £954,037. As at the same time there was a contraction in the circulation of the Bank of England note, the reserve was reduced to £420,097. As against this small reduction in the reserve there was an actual decrease in the deposit liabilities, and the ratio was raised nearly 1% to 25.11%, which is the highest since the middle of March. There was a reduction of £10,000,000 in the Government securities, offset by a decrease of £8,348,000 in the public deposits—movements which are doubtless connected with some big payments by the Treasury to the Bank of

England. The net result was a further reduction in bankers' balances, or other deposits, of £1,979,000, and this item at £85,943,000 compares with £124,636,000 three weeks ago. Such a heavy reduction should be in itself sufficient to lead the market to anticipate higher rates for money, if only from a sentimental point of view.

### MONEY IN NEW YORK.

THE last return of the New York Clearing Banks showed an addition of £5,242,000 to the deposits, raising the total to the record figure since the last banking reform of £562,980,000. This increase was partly due to an expansion of £1,298,000 in the loans. There is, however, a further increase of £4,012,000 in the reserve, and the total of £134,512,000 is also a record. The surplus has consequently increased £3,074,000 to £41,904,000, which is nearly £20 millions higher than at the beginning of the year. Money in New York remains extremely cheap, whilst the exchange recovered somewhat—that is to say, moved in favour of Europe—as a result of the announcement that indications for a settlement of the exchange position are likely to become active shortly.

Rates for prime commercial paper and for call loans in New York are as follows:—

Sept. 9, 1915 ...	Prime paper ... 3½-4½%	Call money ... 2%
Sept. 10, 1914 ...	" " ... 6-7%	" " ... 6-8%

### POSITION IN INDIA.

As the imports into India continue light, the advent of the active export season has had a rather pronounced influence upon the exchange market. India is just now busy with jute exports and the demand for remittances is growing. It may be remembered that the 10 lacs of Council remittances offered last week were covered three times. On Wednesday last 20 lacs were offered and they were covered more than eight times. Higher rates were consequently expected, and applicants at the minimum rate got 11% only. The amount to be offered next week has been further raised to 40 lacs, and this large increase seems to be justified by the fact that since the allotment no fewer than 19 lacs have been sold specially. The last return of the Currency Department shows very little change in the position. The notes in circulation are two lacs higher at 6,641 lacs. Against this increase the coined silver is one lac higher at 3,992 lacs, and the gold is also one lac higher at 634 lacs.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15)	Bengal ... 5 per cent. (June 4, '15)
--------------------------------------	--------------------------------------

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 8, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
s. d.	Rs.	Rs.		s. d.	Rs.	Rs.	
1 3½	5,20,000	59,000	11	1 3½	78,00,000*	8,19,000	11
—	—	—	—	1 4½	3,00,000	3,00,000	100
—	—	—	—	1 4	80,05,000	8,22,000	11
Total ...	5,20,000	59,000	—	Total ...	161,05,000	19,41,000	—

\* Deferred.

Offered.		Tendered.		Accepted.	
Grand Total ...	Rs. 20,00,000	Rs. 1,66,25,000	Rs. 20,00,000	Rs. 20,00,000	Rs. 20,00,000

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	Bills.			Telegraphic Transfers.		
	Rs.	Average.	Minimum.	Rs.	Average.	Minimum.
Calcutta ...	—	—	—	8,19,000*	1/3.968	1/3½
Bombay ...	—	—	—	3,52,000	1/4	1/4
Madras ...	59,000	1/3.968	1/3½	2,35,000	1/4	1/4
				5,35,000	1/4.017	1/4

\* Deferred.

The following Special Sales have since been made:—

	Rs.	At
Bills on Calcutta ...	25,000	1/4
Bills on Madras ...	40,000	1/4
Telegraphic Transfers on Calcutta ...	1,35,000	1/4½

From April 1 to September 7 inclusive the Council have granted remittances for Rs. 3,27,18,983, realising £2,178,600. Up to September 8 of last financial year the total Bills and Transfers sold was Rs. 5,38,46,332, realising £3,593,680. The total sales for the week ended September 7 amounted to Rs. 30,00,000, realising £199,906. The amount to be offered for tender next Wednesday will be increased to 40 lacs.

### SILVER.

BAR silver, which rose 1/4 to 23½/ last week, further advanced to 23½/ per ounce this week. This is the highest price touched since September 6. There has been a set-back of 1/4d., so that the quotation on balance is 1/4d. higher on the week. There has been a little buying for the Continent, and there have been inquiries for India. Messrs. Samuel Montagu and Company say "the United States Treasury by purchasing 500,000 ounces each week is mainly responsible for the improvement in rates." China has been inclined to sell, but not sufficiently to affect the market. The United States Treasury is still a weekly buyer.

	Sept. 3	4	6	7	8	9	10
London ...	23½	23½	23½	23½	23½	23½	23½
India ...	Hol	Rs. 59½	60½	60½	60½	60½	60½
Exchange	1/4	1/4	1/4	1/4	1/4	1/4	1/4

## Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

	TICKET DAY.	PAY DAY.	CONSOLS.
Settlement Days	Tues., Sept. 28 Wed., Oct. 13	Wed., Sept. 29 Thurs., Oct. 14	Fri., Oct. 1 Fri., Nov. 5

THERE is ground for the hope that with much shedding of old-fashioned and prejudicial ideas the archaic practice of transferring Government, &c., inscribed stocks may be modified. In the past the transfer could only be effected by either the personal attendance of, say, Mr. A. at the transferring agency, usually the Bank of England, one of the large London banks, or the Crown Agents for the Colonies, or else by expensive power of attorney to a broker or other individual to attend on A.'s behalf. The inconvenience frequently attaching to personal attendance in the cases of holders in the provinces is considerable, especially so when the stock stands in the joint names of two or possibly more individuals. The procedure by power of attorney is even more cumbrous, involving the application by the broker to the bank for a power to be prepared, the forwarding of the power to the client for execution, the lodging at the Bank of the executed power, the confirming that the power is in order, and, finally, the attendance of the individual designated in the power accompanied by the broker, who has to be present for identification purposes. In fact, the methods adopted in the days when old Tony Weller attended at the Bank of England to transfer his "Reduced Counsels" has with very few alterations held good. We welcome signs of relaxation of the cumbrous procedure so long endured.

We fail to see and have never heard any valid reason to the contrary adduced why the more modern form of transfer by deed now apparently being recognised has not been adopted. Transfers with the signature of the purchaser would automatically provide a specimen signature for reference when the stock was sold. By the personal-attendance procedure, although it has been a recommendation that stock should be "accepted" by the purchaser, it is not obligatory, and has been rarely done, in which case no signature can be referred to. It may be argued that the modern form of transfer lends itself more readily to fraud, but the latter element is also present in the existing system, as has been witnessed in several cases of impersonation.

Numerous Colonial Government and Corporation issues, in especial Canadian descriptions, are transferable by deed, and the whole of the vast capital of British railways is passed from seller to purchaser by similar means with a minimum of trouble to the parties to the transaction. It is to be hoped that a great change in procedure will gradually be brought about.

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## Mining Topics.

Our recent inquiries in connection with the Far Eastern Rand lead us to form the opinion that the strength of this market, which has been the main feature of the African department for some weeks past, is perfectly justified. While the Rand market as a whole has been steady to strong, leading movements have been in Eastern Rand shares. In other departments there is little feature of interest. In the main gold shares remain very steady, and the fluctuations in base-metal shares are of inconsiderable extent. Prices of copper descriptions have fairly well held their ground. The legal decision elsewhere referred to in respect of German zinc-concentrate contracts tended to impart a little firmness to Broken Hill securities.

### LATEST CANADIAN GOLD DISCOVERY.

News was received early this week of a "rush" to what may prove to be a new gold field. It is described as at Matheson, presumably the county division which lies immediately north of the Night Hawk Lake and N.E. of the Ontario-Porcupine-Hollinger-Dome mining region. The railway passes through the division of Matheson, being continued south-west through the Porcupine and beyond to the Dome region. It is represented that the Provincial Deputy-

Minister of Mines states that samples he has seen run 2,000 oz. gold to the ton of quartz, such samples being taken from a shaft over 100 feet deep in what are termed the Dobleysen claims.

**Oroville Dredging.**—The dredging returns from the Pato area continue to be very poor, but it is officially explained that the dredge is still working in ground outside the tested area in order to reach a new pay channel. A satisfactory piece of news published this week is that the dredge of the Nechi Mines (Columbia), in which the Oroville is largely interested, started on September 1, and "is running nicely." The first returns should afford interesting study, as the ground has been reported to be very rich.

**Shamva.**—In March 1915 the Company announced a first interim dividend of 5% on account of the results of 1915. It increased the distribution to 7½% in June, and this week announces a third interim distribution of 7½%, making, so far, a total of 20%.

**Shamva.**—Issued capital £600,000, in £1 shares.

	Tons	Value	Per	Ex-	Per	Profit	Per	Price of
	Crushed	£	Ton	posed	Ton	£	Ton	Share
11 mos. 1914.	449,315	271,636	12/1	181,431	8/1	90,175	4/0	—
1915.								
Mar. qr.	135,821(a)	95,701	14/1	56,595	8/4	39,106	5/9	1½
June qr.	148,291	115,574	15/9	59,498	8/0	57,166	7/9	1½
July ...	50,207	38,490	15/4	20,210	8/1	18,280	7/3	1½xd

\* Inclusive of royalty, average about 3.6d. per ton crushed.

(a) decreased tonnage due to heavy rains early part of year.

Dividends—1915, March, 5; June, 7½; Sept., 7½ per cent.

## THE EASTERN RAND.—III.

### ESTIMATED LIVES OF MINES.

LAST week, after setting out a valuation of the ore reserves and giving a contrast of what such valuation was per share and the current market price, we indicated that we would next consider the subject of the lives of the group of Eastern Rand mining companies that have entered the stage of production, and which we are dealing with comprehensively. In respect of some of the companies the developments have disclosed that a large quantity of the ore exposed is of non-payable grade. With some others strong evidence has been secured that undeveloped area will be found of the more payable character disclosed in the portion of area that has been opened upon. With the Brakpan mine, for instance, zones of unprofitable ore have been developed and indicate the probability, if the rest of property has the same characteristics, that possibly about half the area will be unpayable. With the enlarged Kleinfontein, the Government Areas, and the Geduld, the extent of development of these huge properties makes it desirable to estimate in a like manner, which may, or may not, prove to be ultra-cautious, and it would, until more development has been done, be wise to regard only half of each of these areas as payable.

It is only a few years ago that the official estimate of the New Modderfontein's area ore contents was based on eliminating 25% as valueless. In the interval since such discoveries have been made that we consider an allowance of 20% for possible faults, poor zones, &c., is ultra-conservative. At outcrop the area has been developed to south in the Company's own ground, and has been tested at the circular shaft, where good ore has been encountered. Then also payable ore is being extracted from neighbouring properties, both east and west, and lately the proofs of payability of the Modderfontein Deep area outside (to south of the Modderfontein ground) add to the probability of more than 80% of the Modderfontein area proving payable. Still, in respect of the New Modderfontein property we will make an allowance of 20% so as to be what we regard as on the safe side. When we come to descriptions of individual properties, various points will arise to be considered. Meanwhile, in dealing generally with the region we

do not detail reasons why we have made other divisions of areas, but in the schedule we subsequently give. In such schedule we also give estimates of the mill tons per claim in the net areas assumed as payable. Such estimates, we may mention, are based on data of dip, stoping widths adopted, and an average allowance of 15% sorting to convert mine into mill tons. Though the calculations based on above data are very rough and ready, they afford an approximate indication that the mines of the region are likely to have long lives.

Total Area Claims	Unpayable Area	Assumed Payable Area	Assumed Payable Claims	Initial Net Mill Tons	Used to Dec. 31, 1914	Remaining to be Used from Jan. 1, 1915
1,567	5%	783	25,000	18,280,000	1,295,000	17,985,000

**Kleinfontein.** Capital, £1,151,540, in £1 shares. £175,000 6% Debentures.

• 1,567 5% 783 25,000 18,280,000 [Intact Area] 17,985,000

**Van Ryn Deep.**—Capital, £1,196,892, in £1 shares. 783 20% 1,196,892 12,240,000 1,641,000 11,599,000

**Brakpan.**—Capital, £750,000, in £1 shares. 1,567 10% 750,000 17,985,000 2,411,000 11,574,000

**Modderfontein (New).**—Capital, £1,400,000, in £4 shares. 350 2% 1,400,000 21,000,000 27,000 21,730,000  
Intact or partly developed at June 30, 1914.

**Modderfontein B.**—Capital, £700,000, in £1 shares. 1,400 20% 700,000 21,240,000 1,295,000 20,945,000

**Modderfontein Deep.**—Capital, £500,000, in £1 shares. 377 1% 377,000 8,489,500 Intact 8,489,500

**Government Areas.**—Capital, £1,400,000, in £1 shares. 2,633 50% 1,316 23,000 30,248,000 100,000 30,148,000

**Geduld.**—Capital, £970,000, in £1 shares. 24,800 50% 1,240 22,950 28,458,000 863,000 27,595,000

The outcome of the above calculations is an estimated quantity of mill tons available from January 1, 1915, for each Company named. The life of each mine consequently depends on what average amount of ore is treated per annum, and, in view of the annual consumption as at present being likely in several instances to be increased, we would give the sum up of life of each mine separately, noting special features of future outlook as to policy of increase of plant. We defer consideration of profit results to future articles, wherein seriatim we propose to deal with each individual Company.

**KLEINFONTEIN.**—In respect of the initial (old) Kleinfontein area of 364 claims, there is still a fair extent of intact ground to operate on, but the amalgamation of the gold-bearing areas of the Benoni and Apex companies into the enlarged Kleinfontein Company were reported to mean a total intact area of 1,567 claims. The present plant operating has a capacity of 650,000 tons a year, but it is probable that use of the Benoni mill will increase the total capacity to about 1,000,000 tons annually, giving a life of, say, 18 years.

**VAN RYN DEEP.**—The capacity of the plant has attained a rate of output equal to 530,000 tons per annum, which quantity used annually would give the property a life of nearly 22 years.

**BRAKPAN.**—The average use of 750,000 mill tons per annum gives a life of over 15 years.

**MODDERFONTEIN (NEW).**—Though the present rate of output is 630,000 tons a year, additional plant ordered and likely to be operating by about the middle of 1916 will raise the output to some 1,100,000 tons a year, and the life may be put at approximately 19 to 20 years.

**MODDERFONTEIN B.**—The rate of output annually has been gradually increased, and has now attained about 540,000 tons. The use of such quantity would mean a life of 37 years.

**MODDERFONTEIN DEEP.**—The addition to plant that has been ordered will raise the mill capacity next year to 480,000 tons per annum, and such quantity used annually would mean a life of about 17 years.

The probability, however, is that with a present much wider stoping than appeared likely to be adopted the net mill tons per claim will exceed the 26,000 tons per net claim assumed above.

**GOVERNMENT AREAS.**—The plant, now ordered to be doubled, when all in use will probably be able to deal with about 1,100,000 mill tons a year, and such annual consumption would give the mine a life of about 27 years.

**Geduld.**—The plant has already been extended to a present capacity of some 310,000 tons a year. Such rate means a life of about 90 years. There is the probability of early decision to increase the plant. Even were the plant to be doubled a life of 45 years suggests the adoption of a policy of still further extension, to later on deal with the very large area of the Company.

The up-to-date returns given below of recent results of crushings are useful for reference, but it has to be borne in mind that they relate to past operations, and in a majority of cases the addition being made or contemplated as to extension of plant will have important influences in adding to profits. In calculating lives as we have done above we have reduced the number of years' life consequent on calculations of plant extension to give a yearly use of ore larger, and in some cases appreciably larger, than the recent rate of output.

It has to be recollected that a shortening of life and augmentation of profit increases the market value of a share. The actuarial calculation of present value of a share to yield 10% income, and investing excess of dividend at 4% so as by the end of the life to get back the price paid for the share, varies as under in case a doubling of the plant results in halving the life and increases the shorter-life dividend to twice the longer-life rate:—

							Present Value of £1 Share £ s. d.
34 years' life on basis of 30% dividends	...	...	...	...	...	...	2 19 6
17 " " 60 " "	...	...	...	...	...	...	4 4 6

The results recently returned by the individual producing companies of the group are given below. It has to be noted that some of the companies are of outcrop as well as of deep-level character and others are purely deep-level concerns having reef area in the main intact. The areas we show in preceding remarks are generally large.

**Kleinfontein.**—Capital issued, £1,151,540, in £1 shares; £175,000 6% Debentures. 220 stamps. Four tubes. Capacity of plant in use is at present over 650,000 tons a year.

Yr. ends	Tons Sort-	Revenue	Expenses*	Profit	Price
Dec. 31	Milled	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period
1914 ... 200	601,000	19 791,722	26/4	528,452 17/7	263,270 8/9
1915.					
Mar. qr. 200	155,050	17 200,137	25/9	132,458 17/1	67,679 8/8 4/6
June qr. 200	156,800	16 203,380	25/11	135,932 17/4	67,448 8/7 22/9
July ... 200	54,350	— 70,481	25/11	46,258 17/4	24,223 8/7 23/0
Aug. ... 200	55,000	— 69,774	25/4	46,747 17/0	23,027 8/4 22/3xd

\* Not including considerable expenditures in connection with the Apex and Benoni sections.

Dividends—1914, June, 5; Dec., 5 per cent.

1915, June, 5 per cent.

**Van Ryn.**—£500,000, in £1 shares. Batteries, 180 stamps. Six tube mills. Present capacity about rate of 450,000 tons a year.

Year to	Tons Sort-	Revenue	Expenses	Profit	Price
June 30	Milled	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of Period
1913-14 138av.	439,900	8 1/2 590,129	26/10	351,143 16/0	238,936 10/10 3 1/2
1914-15 140	462,920	7 1/2 531,014	25/1	332,645 14/4	248,369 10/9 3 1/2
1915-16.					
July ... 140	37,750	7 1/2 43,253	22/11	27,009 14/4	16,244 8/7 2 1/2xd
Aug. ... —	38,900	— 46,009	23/7	26,567 13/7	19,442 10/0 2 1/2

\* "Decreased profit for July is due to temporary falling off in stope values."

Dividends—1914, June, 22 1/2; Dec., 22 1/2 per cent.

1915, June, 22 1/2 per cent.

**Van Ryn Deep.**—Capital, £1,196,892, in £1 shares. 80 stamps, 8 tube mills, started July 14, 1913. This plant has attained a capacity of about the rate of 530,000 tons a year.

	Stps.	Ton Milled	Sort- ing %	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1914 ... 1915.	77½	483,090	11½	805,918 33/4	394,912 16/4	411,036 17/0	—
Mar. qr. 80	87	136,530	13½	234,938 37/2	103,193 16/3	131,745 20/11	2½
June qr. 80	80	126,100	13½	234,676 37/2	104,695 16/7	129,981 20/7	2½
July ... 80	80	44,250	—	80,208 36/3	35,699 16/5	44,507 19/10	2½
Aug. ... 80	80	42,250	—	79,148 37/6	35,518 17/2	43,630 20/4	2½x

Dividends—1914, June, 12½; Dec., 12½ per cent.  
1915, June, 15 per cent.

**Brakpan.**—Capital issued, 750,000 £1 shares; 160 stamps. Nine tube mills now working. Present rate of output about 760,000 tons a year.

Year ends	Tons	Sort-	Revenue		Expenses		Profit		Price	
Dec. 31	Stps.	Milled	ing	Amt. Per ton	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of	Period	
		%	£	£	£	£	£			
1914 ...	140	621,573	13½	859,116	27/7	575,660	18/6	283,456	9/1	—
1915.										
Mar. qr.	150	167,910	10½	232,802	27/8	155,539	18/6	77,263	9/2	2½
June qr.	150	181,010	10	246,856	27/3	160,002	17/8	86,854	9/7	2½
July ...	—	64,300	—	89,923	27/11	57,742	17/11	32,181	10/0	3
Aug. ...	—	64,200	—	88,417	27/6	55,805	17/4	32,612	10/2	2½

Dividends—1914, June, 12½; Dec., 17½ per cent.  
1915, June, 17½ per cent.

**Modderfontein.**—Capital, £1,400,000, in £4 shares. Six tube mills in use. Present capacity of plant, 52,500 tons per month. Additional plant of capacity of 40,000 tons monthly arranged for, to raise total capacity to about 1,100,000 tons a year.

Year to		Ton	Sort-	Revenue		Expenses		Profit		Price
June 30	Stps.	Milled	ing	Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	end of
			%	£	£	£	£	£	£	Period
1913-14	180	510,360	4½	990,352	38/9	437,663	17/1	552,689	21/8	13½
1914-15	—	611,500	17	1,169,692	38/3	486,256	15/11	683,436	22/4	14½
1915-16.										
July ...	—	52,500	—	103,792	39/6	44,430	16/11	59,362	22/7	14½
Aug. ...	—	52,500	—	101,225	38/6	44,991	17/1	56,239	21/5	15
Returns include profit from accumulated stores.										

Returns include profit from accumulated slimes.

Dividends—1914, June, 15; Dec., 15 per cent.  
1915, June, 16½ per cent.

**Modderfontein B.**—Issued capital £700,000, in £1 shares. Plant of capacity to deal with 540,000 tons a year.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per ton	Expenses— Amt. Per ton	Profit— Amt. Per ton	Price end of Period			
1914 ...	88½	440,000	10	790,132	35/11	342,328	15/7	447,804	20/4	—
1915.										
Mar. qr.	96	120,700	12	231,021	38/3	93,922	15/7	137,099	22/8	4½
June qr.	96	123,200	17½	241,979	39/3	99,978	16/2	142,001	23/1	5½
July ...	96	42,000	—	85,018	40/5	34,078	16/2	50,940	24/3	5½
Aug. ...	96	43,500	—	95,989	44/1	33,100	15/2	62,889	28/11	5½

Dividends—1914, June, 25; Dec., 30 per cent.  
1915, June, 32½ per cent.

The August return is a phenomenal one, both as to yield, expenses, and profit per ton. The grade being secured is considerably above the ore reserves value.

**Modder Deep.**—Capital £500,000, in £1 shares. Sixty-stamp mill—six tubes—started December 14, 1914. Capacity of plant at present about 35,000 tons monthly. Arrangements made to increase to total of 40,000 tons monthly. Sorting both below ground and on surface.

Year ends	Tons	Sort-	Revenue	Expenses	Profit*	Price			
Dec. 31	Stps.	Milled	£	Amt. Per ton	£	end of			
1915.		%	125,769	29/3	79,191	Period			
Mar. qr. 60	86,050	8	125,769	29/3	79,191	18/5	46,578	10/10	3½
June qr. 60	97,000	11	167,246	34/5	80,819	16/7	86,427	17/10	4½
June ½-yr. 60	183,050	9½	293,015	32/0	160,010	17/6	133,005	14/6	—
July ... 60	34,500	—	63,808	37/0	28,934	16/9	34,874	20/3	4½
Aug. ... 60	34,000	—	62,191	36/7	27,527	16/3	34,664	20/4	4½x

Dividends—1915, June, 10 per cent.

**Government Areas.**—Capital £1,400,000, in £1 shares. At December 31, 1914, floating debt about £240,000. 100 stamps, 10 tube mills. Plant ordered to be doubled, or total raised to rate of near 1,100,000 tons a year. The returns include sundry revenue.

Year ends	Tons	Sort-	Revenue		Expenses		Profit		Price
Dec. 31	Stps.	Milled	Amt.	Per ton	Amt.	Per ton	Amt.	Per ton	end of
1914.		%	£		£		£		Period
Oct. 16 to Dec. 31 ... 90	97,700	13½	80,965	16/6	105,433	21/6	23,468*	5/0*	—
1915.									
Mar. qr. 93½	140,400	14½	145,132	21/8	122,691	17/6	22,441	3/2	21/6
June qr. 100	142,000	13	171,265	24/0	132,415	18/7	38,850	5/5	1½
July ... 100	45,000	—	64,576	28/9	47,109	21/1	17,567	7/8	1½
Aug. ... —	48,000	—	65,407	27/3	47,527	20/0	17,880	7/3	23/0

\* Loss.

**Geduld Proprietary.**—The capital authorised, is £1,000,000; issued, £970,000, in £1 shares. Plant has been enlarged to 60 stamps and five tubes, having a capacity of 26,000 tons a month. There is the probability of early increase of plant to 35,000 or 40,000 tons a month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price			
Dec. 31	Stps.	Milled	Amt. Per ton	Amt. Per ton	Amt. Per ton	end of			
		%	£	£	£	Period			
1914 .. 52½	av. 244,585	10½	395,457	32/4	298,489	24/5	96,968	7/4	—

[Profit irrespective of £10,647 miscellaneous revenue in 1914.]

1915.										
Mar. qr.	60	71,330	9½	113,683	31/0	78,412	21/11	35,271	9/11	24/0
June qr.	60	74,760	9½	113,713	30/5	78,525	21/0	35,188	9/5	28/9
July ...	—	26,050	—	38,251	29/4	25,606	19/8	12,645	9/8	29/3
Aug. ...	—	26,200	—	39,304	30/0	26,536	20/4	12,768	9/8	32/3

Gold reserve: 4,431 oz. July, Aug.,

Monthly and quarterly profits include sundry revenue.

The sorting in this mine is both on surface and underground; very slight on surface.

Dividends—1914, Dec., 5 per cent.  
1915, June, 5 per cent.

## RAND PROFITS.

A CONTRAST of the profits of each of the last four months is given below. It should be noted that sundry revenue is included in the profits:—

	Aug.	July	June	May
	£	£	£	£
Aurora West ...	4,074	4,162	4,287	3,812
Bantjes ...	2,701	1,304	1,756(b)	5,245
Brakpan ...	32,812	32,181	29,653	29,046
City and Suburban ...	20,338	20,625	20,414	21,148
City Deep ...	62,227	62,196(c)	53,759	50,673
Cons. Langlaagte ...	31,531	31,677	31,270	31,428
Cons. Main Reef ...	12,018	12,322	12,936	11,927
Crown Mines ...	97,118	101,531	108,807	117,674
Darb. Rdprt. Deep ...	6,212	5,829	6,048	6,355
East Rand Propy. ...	56,049	55,548	52,020	60,020
Ferreira Deep ...	42,482	31,490	23,060 (a)	21,655
Geduld ...	12,768	12,645	11,780	11,666
Geldenhuis Deep ...	11,576	10,353	10,105	10,450
Ginsberg ...	4,193	4,070	4,059	3,743
Glencairn ...	2,135	2,387	2,324	2,178
Glynn's Lydenburg ...	2,985	3,001	2,239	2,739
Goch ...	8,440	8,061	7,123	8,724
Government Areas ...	17,880	17,567	14,727	13,037
Heriot ...	8,760	9,006	8,756	9,019
Kleinfontein ...	23,027	24,233	22,103	23,007
Knight Central ...	3,348	2,596	3,145	3,856
Knights Deep ...	12,735	14,081	16,023	16,673
Langlaagte Estate ...	13,281	12,803	13,668	13,492
Luipaard's Vlei ...	5,935	3,042	3,340	458
Main Reef West ...	3,697	4,334	4,294	4,552
Meyer and Charlton ...	20,489	20,037	20,200	20,816
Modderfontein ...	56,234	59,362	64,947	61,171
Modderfontein B ...	62,889	50,940	45,921	50,254
Modderfontein Deep ...	34,664	34,874	30,242	29,214
Nourse ...	11,437	12,627	16,356	15,278
Primrose ...	6,165	5,631	7,463	7,356
Randfontein Central ...	61,305	57,032	57,089	52,317
Robinson Deep ...	26,001	25,034	25,203	25,500
Robinson Gold ...	41,610	41,070	43,637	49,512
Rodepoort United ...	943	81	1,504	1,580
Rose Deep ...	28,402	23,482	26,628	27,163
Simmer and Jack ...	30,132	32,565	30,169	28,689
Simmer Deep ...	4,343	5,000	5,753	5,742
Transvaal Gold ...	15,099	15,547	15,923	10,817
Unified Main Reef ...	5,150	5,208	5,177	5,262
Van Ryn Deep ...	43,630	44,507	44,380	42,570
Van Ryn G. M. ...	19,442	16,244(d)	19,480	19,093
Village Deep ...	26,598	29,184	28,388	26,811
Village Main Reef ...	26,009	24,097	23,347	23,991
West Rand Consolidated ...	10,473	9,700	9,418	7,585
Witwatersrand Deep ...	16,068	18,352	18,321	22,205
Witwatersrand Gold ...	24,819	24,822	24,392	25,083
Wolbuter ...	14,021	13,068	14,023	14,458

(a) Shaft accident.

(b) Reduced profit due increased costs, owing shortage labour and return to more normal recovery. Grade April and May abnormally high.

(c) Return states "yield recently has been higher than that called for by the ore reserves."

(d) Decreased profit due to temporary falling off in stope values.

## MIAMI COPPER.

We described this Company, owning a copper property in Arizona, in THE STATIST of May 24, 1913. It made a commencement of production in March 1911. The War in 1914 caused a policy of restriction of what had promised to be an expanding output, and there was a stoppage in October of the 50-cent quarterly dividends per \$5 share which for ten quarters had been regularly paid since the first declaration in May 1912. A contrast of the tonnage treated and

the copper produced, with other detail, is set out below as to four years to 1914 inclusive:—

Year to Dec. 31	Ore Treated Tons (2,000 Lb.)	Copper Produced		Per Lb. of Metal	
		Tons	Tons	Costs	Sale Price
		Lb.	(2,240 Lb.)	Cents	Cents
1911	445,036	14,970,557	6,683	9.1	13.03
1912	1,040,744	32,832,609	14,495	9.6	16.58
1913	1,068,784	33,134,334	14,799	10.7	15.24
1914	1,096,633	32,879,447*	14,673	9.2	13.35

\* Sold. The production was 33,296,010 lb.

In THE STATIST of May 1, 1915, we gave the income and appropriation account for 1914 compared with 1913.

The deferred policy of pressing on to obtain an output of 4,000 tons per day is being carried on, and the outcome is a marked accession to monthly production of metal. For the first six months of 1915 the output has progressed as shown below:—

	Lb.		Lb.
Jan. ...	1,912,493	April ...	3,147,396
Feb. ...	2,536,514	May ...	3,819,339
Mar. ...	3,092,005	June ...	3,945,796
Total, six months	...	...	18,453,543

According to the Company's semi-annual report the six months' operations to June 30, 1915, resulted in a profit being secured equal to nearly four times the amount of the one 50-cent dividend distributed in the half-year. The showing was as under:—

Six Months to June 30, 1915.

Gross income	2,841,188
Expenses	1,544,963
Estimated profit	1,296,225
Dividend No. 11 paid (50 cents)	373,556
Surplus for half-year	922,669
Surplus unappropriated, 1914	1,447,788
Total accumulation	2,370,457

The capital of the Company is \$4,000,000, in 800,000 \$5 shares, and 747,112 shares (\$3,735,560) of such capital are in issue.

The New York price of the \$5 shares shows the following:—

Lowest (Dec.) 1914, 16½.

Approximate present, 27.

PARRAL MINING CORPORATION.

PARRAL Mining Corporation, Limited, £1 shares have recently been, and still are, quoted in a daily financial paper as 1-1½, and in calling attention a fortnight ago to the matter we suggested it would be as well to have some information as to the position of the Corporation.

From official records we gather that in June 1912 the area and mining rights in respect of 25 square miles of property known as the Sao Vicente Mines, in the district of Rio des Pedras, Minas Geraes, Brazil, were acquired by the Sao Vicente Syndicate, Limited, from a lady, resident in Cornwall, for £7,000, satisfied as to £250 in cash and 6,750 £1 shares in the purchasing Syndicate. This Syndicate was registered in April 1912 as a private Company with a capital of £15,000, and has in issue 8,028 £1 shares cash subscribed and 6,750 £1 shares issued for other than cash.

At some date subsequent to June 1912 the Sao Vicente Syndicate, Limited, appears to have disposed of area comprising 25 square miles, known as the Sao Vicente Mines, situated in the Rio des Pedras district of Minas Geraes, Brazil, to the General Exploration and Finance Syndicate, Limited—a Company formed in 1898 and converted into a private Company early in 1913—for a consideration undisclosed; though it is to be noted that the Sao Vicente Syndicate figures in official records as an allottee of 150,000 £1 shares of the Parral (Mexico) Mining Corporation, Limited. The General Exploration and Finance Syndicate's authorised capital of £100, comprising 50 Preference and 50 Ordinary £1 shares, is all in issue.

The General Syndicate disposed of 25 square miles of property known as the Sao Vicente Mines, situated in the Rio des Pedras district of Minas Geraes, Brazil, to the Parral (Mexico) Mining Corporation, Limited, for 380,000 shares of £1 each, £10,000 of 5% first

charge Debentures, and £20,000 cash. The Parral (Mexico) Mining Corporation in February this year passed a resolution omitting the word "Mexico" from its title, subject to Board of Trade approval.

We do not now care to enter into other very interesting details. The above brief remarks will suffice for the present. We would, however, ask one pertinent question—Was the issue in February or early March 1915 for cash of 21,650 shares of the Parral (Mexico) Mining Corporation, Limited, made with the consent of the Treasury?

TAQUAH MINE.

AFTER the woeful disappointments of the past it is refreshing to be able to point to the very decided progress in prosperity of a West African gold-mining Company. In the past misfortune seemed continually to dog the footsteps of the Taquah, and, despite the persistently high gold contents of the ore found in the mine, for many years high working costs, necessity to provide capital expenditure for renovation of new mill equipment, and then, in 1913, an accident to the power plant, prevented really good profits being obtained. Consequently, to the middle of 1913 the earnings sufficed to pay only small dividends, and those spasmodically. However, during the last four years a cautious financial policy has enabled a loan of £128,000, raised for capital purposes, to be reduced to about £8,000 at the end of June this year. That is to say, an average of something like £32,000 per annum has been allocated from profits for capital purposes. The gradual lessening of the amount of the loan has naturally reduced the annual interest charge payable, and this partly, though not to a great extent, accounts for the very satisfactory decline brought about in the working costs of the mine in the past twelve months—such working costs including interest. The Company's financial year ending on June 30, it is not usual for the annual report to be in the hands of shareholders until the beginning of December. Meanwhile, however, from the monthly returns it is possible to arrive at an approximate idea of the results that will be shown in the forthcoming report.

First of all, it is to be noted that the quantity of ore milled in the year ended June 30, 1915, was 69,509 tons, against 58,746 tons in the previous twelve months. Coinciding with this large proportionate increase in the tonnage milled there has been a very satisfactory reduction in working costs &c. The total expenses, including development, redemption, London office charges, and interest, but excluding depreciation, averaged only 32s. 1d. per ton in the twelve months to June 30, 1915, in contrast with 39s. 1d. per ton in the previous financial year. As a result of these two factors, which much more than offset a slight decline in the gold yield per ton, the working profit of the past financial year amounted to £91,784, or 27s. 3d. per ton, against £63,940, or 21s. 9d. per ton, in the twelve months ended June 30, 1914. In regard to sundry revenue, the Company has since December 1913 received no dividend on its large holding of Abosso shares, which means in respect of the past financial year a loss of some £6,400 in revenue. However, *per contra*, it has apparently been found possible to reduce the depreciation allowance by about £14,000. In this way the net profit of the year ended June 30 last comes out at about £68,490, in

To the

PANAMA PACIFIC EXPOSITION, Feb.-Dec., 1915.

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comparison with £32,993 in the previous year. So far, dividends aggregating 15% have been paid for the past year, against only 5% for 1913-14, and it is possible that the past year's distribution may be increased by a final declaration when the annual report is issued. It looks as if the payment of only 15% dividends for the past year would enable the carry-forward to be increased by £10,000 to £63,575. It should be remembered, however, that these figures for the year 1914-15, being obtained from the monthly advices, are approximate only, and may be amended by the annual report. Still, they form a sufficient basis for showing how considerable has been the progress made in the past twelve months. For greater ease of comparison we give the following table showing the results obtained in the past six years:—

	Years ended June 30					
	1915*	1914	1913	1912	1911	1910
	£	£	£	£	£	£
Gold production	206,387	178,812	179,591	126,427	28,320	166,553
Working costs ...	114,603	114,872	112,630	87,236	51,663	138,208
Working profit ...	91,784	63,940	66,961	39,191	22,843d	28,345
Sundry receipts	200	6,676†	9,198†	346	8,383†	19,200†
Brought forward	53,307	39,698	15,663	2,210	27,889	27,712
Total available	145,291	110,314	91,822	41,747	13,429	75,257

<b>Allocations:—</b>						
Depreciation, &c., written off ...	23,594	37,382	52,124†	23,672	11,219	45,368
Taxes ...	—	251	—	2,412	—	2,000
Dividends paid ...	58,122 (15%)	19,374 (5%)	Nil	Nil	Nil	Nil
Carried forward	63,575	53,307	39,698	15,663	2,210	27,889
	145,291	110,314	91,822	41,747	13,429	75,257
Tons milled ...	69,509	58,746	61,607	43,041	12,387	65,222
Yield per ton ...	58s. 4d.	60s. 10d.	58s. 3d.	58s. 9d.	46s. 6d.	51s
Aver. extraction...	—	94.7%	94.35%	94.4%	—	—
Costs per ton ...	32s. 1d.	39s. 1d.	36s. 6d.	40s. 6d.	47s. 8d.	42s. 4d
Profits per ton ...	27s. 3d.	21s. 9d.	21s. 9d.	18s. 3d.	—	8s. 8d
Ore reserves (tons)	—	191,279	198,502	168,551	166,700(c)	—
Value per ton ...	—	61s.	60s.	62s. 3d.(b)	59s. 8d.(b)	—
Issued capital ...	£349,979	£349,979	£349,979	£349,979	£349,979	£349,979
Loan ...	£8,334	£29,167	£50,000	£128,046	£109,296	£17,321
Price of shares end of period	1	1	1	1	1	2

\* Estimated. † Including dividends on shareholding in Abosso Company.  
‡ Including £22,291 written off value of shareholdings.  
(a) Average assay value. (b) Average milling value.  
(c) Reserves at April 30, 1912. (d) Loss.

In regard to ore supply, the issue of the annual report must be awaited for definite information. The ore reserves at June 30, 1914, were equal to about three years' supply for the mill. Since then development work has disclosed good values at the 12th and 13th levels, and it may be hoped that the ore milled from the reserves has been made good. At the present price of 14s. each the £1 shares of the Company afford a high yield, assuming continuance of 15% annual dividends. Now that the financial condition of the Company has been strengthened by the reduction of the loan to a very small figure, it is to be hoped that efforts will be made to secure the position of the mine by largely adding to the ore reserves, and thereafter gradually further increasing the crushing capacity of the mill, with a view to a still greater reduction of working costs.

## RAND GOLD OUTPUT.

**Anrora West United.**—There are in issue 212,705 10s. shares, and a favourable opportunity will be taken for a further issue to deal with floating debt, the total authorised capital being £300,000, in 600,000 10s. shares. Net floating indebtedness at December 31 about £105,000. Plant—80 stamps and a tube mill; capacity increased to 15,000 tons monthly.

Year ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Expenses £	Profit £	Price end of Period
1914 ... 80	164,791	16½	202,317	24.7	163,198	19/10	39,119 4/9
1915.							
Mar. qr. 80	42,160	13½	52,472	24/11	40,952	19/5	11,520 5/6
June qr. 80	43,190	14	53,123	24/7	40,974	19/0	12,149 5/7
July ... 80	15,000	—	18,443	24/6	14,281	19/0	4,162 5/6
Aug. ... 80	15,230	—	17,893	23/7	13,819	18/0	4,074 5/5

**City and Suburban.**—£1,360,000, in £4 shares. Two tube mills. Yearly profit is exclusive of accumulated slimes revenue.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Expenses £	Profit £	Price end of Period
1913 ...	151av.	306,663	9½	583,141	38/0	335,622	21/10 247,519 16/2
1914 ...	154av.	324,117	9½	587,199	36/3	338,648	20/11 248,551 15/4
1915.							
Mar. qr. 151av.	84,309	10½	153,498	36/5	88,832	21/1	64,666 15/4
June qr. 154av.	82,620	10½	150,201	36/4	88,444	21/4	61,757 15/0
July ...	—	28,750	—	51,108	35/6	30,483	21/2 20,625 14/4
Aug. ...	152	29,300	—	50,389	34/4	30,051	20/6 20,338 13/10

Dividends—1914, June, 7½; Dec., 7½ per cent.  
1915, June, 7½ per cent.

**City Deep.**—Capital £1,250,000, in £1 shares. 200 stamps and tube-mill accessories, to have a capacity of about 800,000 tons per annum when in full operation.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Expenses £	Profit £	Price end of Period
1914 ...	150	605,360	7½	965,710	38/2	566,933	22/5 398,777 15/9
1915.							
Mar. qr. 144	137,800	12½	261,894	38/0	152,749	22/2	109,145 15/10
June qr. 154	171,000	13½	325,406	38/0	174,703	20/5	150,703 17/7
July ...	—	60,000	—	122,719*	40/9	60,523	20/2 62,196 20/7
Aug. ...	—	62,400	—	121,818	39/0	59,581	19/1 62,227 19/11

\* The yield recently has been higher than that called for by the ore reserves.

Dividends—1914, June, 11½; Dec., 12½ per cent.  
1915, June, 13½ per cent.

**Consolidated Langlaagte.**—£950,000, in £1 shares. £195,000 5½% Debentures. 100 new stamps and 10 tubes. About £300 monthly sundry revenue included below.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Expenses £	Profit £	Price end of Period
1914 ...	92½	578,100	2½	739,704	25.7	423,799	14.8 315,906 10/11
1915.							
Mar. qr. 100	155,900	3	201,042	25/9	109,405	14/0	91,637 11/9
June qr. 100	154,100	5	202,867	26/4	108,353	14/1	94,514 12/3
July ... 100	51,600	—	68,414	26.6	36,737	14/6	31,677 12/0
Aug. ... 100	54,000	—	70,060	25/11	38,529	14/5	31,531 11/6

\* Includes slimes profit and sundry revenue.

Dividends—1914, June, 10; Dec., 10 per cent.  
1915, June, 12½ per cent.

**Consolidated Main Reef.**—£924,364, in £1 shares. 120 stamps; three tube mills.

Year ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Expenses £	Profit £	Price end of Period
1913-14...	96av.	241,016	12	379,543	31/6	262,942	21/10 116,601 9/8
1914-15	95½av.	294,760	12½	442,649	30/0	304,384	20/7 138,265 9/5
1915-16.							
July ...	—	28,110	—	39,842	28/4	27,520	19/7 12,322 8/9
Aug. ...	—	28,180	—	39,532	28/2	27,514	19/6 12,018 8/6

Dividends—1914, June, 5; Dec., 6½ per cent.  
1915, June, 6½ per cent.

**Crown Mines.**—Capital £1,000,000, in 2,000,000 shares of 10s. each; issued, 1,880,212. £867,950 Five per Cent. Debentures. Milling capacity about 232,000 tons per month. 1913 figures and since include accumulated slimes.

Year ends Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Expenses £	Profit £	Price end of Period
1914 ...	660	2,286,875	11½	2,976,989	26/1	1,783,477	15/7 1,193,512 10/6
1915.							
Mar. qr. 660	598,000	10½	750,121	25/1	475,527	15/11	274,594 9/2
June qr. 660	638,000	10½	825,459	35/10	490,959	15/4	334,500 10/6
July ...	—	206,000	—	269,752	26/2	168,221	16/4 101,531 9/10
Aug. ...	—	207,000	—	266,276	25.8	169,159	16/4 97,118 9/4

\* Poor results due entirely to disappointing yield, which continues considerably below what is indicated by ore reserves values. "The cause of this difference is being carefully investigated."

Dividends—1914, June, 55; Dec., 30 per cent.  
1915, June, 35 per cent.

**Durban Roodepoort Deep.**—£440,000, in £1 shares. Three tube mills. Crushing capacity, about 25,000 tons a month.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £	Expenses £	Profit £	Price end of Period
1914 ...	100	298,390	13	407,495	27/4	349,534	23/5 57,961 3.11
1915.							
Mar. qr. 100	78,160	12½	100,898	25/9	95,951	24/6	4,947 1/3
June qr. 100	80,750	13	110,457	27/4	92,972	23/0	17,485 4/4
July ...	—	28,000	—	37,407	26/8	31,578	22/6 5,829 4/2
Aug. ...	—	27,520	—	37,165	27/0	30,953	22/6 6,212 4/6

Dividends—1914, June, 3½; Dec., 3½ per cent.  
1915, June, 3½ per cent.

**East Rand Proprietary Mines.**—Capital issued, £2,445,897, in £1 shares; £1,192,170 Convertible Five per Cent. Debentures in issue. Twenty-five tube mills.

Year ends Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1914 ... 820	1,831,950	8½	2,579,172	1,785,208	793,964	8/6 —
1915.						
Mar. qr. 820	418,200	10	586,089	424,453	161,636	7/9 1½
June qr. 820	484,100	10	635,818	481,928	153,890	7/2 1½
July ... 820	164,000	—	215,565	160,017	55,548	6/9 1½
Aug. ... 820	175,000	—	222,618	166,567	56,049	6/2 1½

Accumulated slimes profits included throughout.

Dividends—1914, June, 7½; Dec., 10 per cent.  
1915, June, 6½ per cent.

**Ferreira Deep.**—£980,000, in £1 shares. Mills, 280 stamps and 7 tubes.

Year ends Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1913-14 261av.	668,530	11	1,236,633	584,475	652,158	19/5 —
1914-15.						
Dec. qr. 280	158,390	8	269,505	162,584	106,921	14/9 —
Mar. qr. 280	171,470	10	304,006	156,089	147,917	17/3 2½
June qr. 280	129,460	9½	226,824	143,269	83,555	12/11 2½
July ... —	52,320	—	83,271	51,781	31,490	12/1 2½
Aug. ... —	56,850	—	94,181	51,699	42,482	14/11 2½

\* Grade for month of December was low, as hoisting was necessarily confined to ore from poorer section of the mine.

† Shaft repairs, due to fall of ground, interfered with operations.

Profits from accumulated slimes treated are included in profits.

Dividends—1914, March, 25; Sept., 25; Dec. (bonus), 25  
1915, March, 25 per cent.

**Geldenhuis Deep.**—Capital, £600,000; issued, 585,753 £1 shares. 300 stamps, 7 tube mills. Capacity, 720,000 tons a year.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1914 ... 300	570,600	10½	781,568	652,471	130,097	4/7 —
1915.						
Mar. qr. 300	150,700	12	192,858	164,608	28,250	3/9 1½
June qr. 300	151,900	12½	96,548	167,317	29,231	3/10 1½
July ... —	51,000	—	67,903	57,550	10,353	4/1 1½
Aug. ... —	54,200	—	70,785	59,209	11,576	4/3 1

1913 returns and since include yield from accumulated slimes.

Dividends—1914, June, 8½; Dec., 10 per cent.  
1915, June, 10 per cent.

**Goch.**—£550,000, in £1 shares. 120 stamps; four tube mills. Sundry revenue, about £2,000 a year, included.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £ Per ton	Expenses Amt. £ Per ton	Profit Amt. £ Per ton	Price Per ton end of Period
1914 ... 1915.	360,000	10	381,143 21/2	258,983 14/5	122,160 6/9	—
Mar. q.r.	93,500	10½	84,959 18/9	62,431 13/10	22,528 4/11	13/0
June q.r.	91,450	12½	88,175 19/3	63,249 13/10	24,926 5/5	15/9
July ...	30,500	—	29,481 19/4	21,420 14/0	8,061 5/4	15/3
Aug. ...	30,500	—	22,404 19/3	20,964 13/9	8,440 5/6	15/6x

Dividends—1911, June, 7½; Dec., 5 per cent.  
1915, June, 5 per cent.

**Heriot.**—Issued capital £115,000, in £1 shares. One tube mill.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1914 ... 70	154,228	16	281,765	138,197	120,324	15/0 —
1915.						
Mar. qr. 60	36,700	18½	69,646	41,188	28,458	15/5 3½
June qr. 60	38,300	19	69,677	42,810	26,867	13/9 3½
July ... 60	13,400	—	23,349	14,343	9,006	13/5 2½
Aug. ... 60	13,200	—	23,063	14,308	8,760	13/3 2½

Dividends—1914, May, 30; Nov., 35 per cent.  
1915, May, 40 per cent.

**Knight Central.**—£900,000, in £1 shares. Three tube mills.

Year to Dec. 31	Tons Milled	Sort- ing %	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1914 ... 103½av.	284,960	3	316,076	273,325	42,751	3/0 —
1915.						
Mar. qr. 113	76,400	—	82,339	71,029	11,310	2/11 6/6
June qr. 115	79,260	—	84,111	73,195	10,916	2/9 6/6
July ... —	25,500	—	26,329	23,733	2,596	2/1 7/0
Aug. ... —	25,600	—	26,725	25,377	3,348	2/8 6/9

Dividends—1910, Dec., 5 per cent. Nil since.

**Knights Deep.**—Capital, 743,526 £1 shares issued; £70,600 Five-and-a-Half per Cent. Debentures still

to be redeemed. 400 stamps, 11 tubes, capacity 120,000 tons a month.

Year ends July 31	Tons Milled	Sort- ing %	(Revenue) Amt. £	(Expenses) Per ton	(Profit) Amt. £	(Profit) Per ton	Price end of Period
[Profits given below include water, &c., revenue.]							
1913-14	400		1,118,900 Nil	815,708 14/7	659,603	11/9 156,705	2/10 1½
1914-15	400		1,172,920	— 878,685 15/0	705,065	12/1 173,620	2/11 1½
1915-16.							
Aug. ... —			108,400	— 77,237 14/3	64,450	11/11 12,787	2/4 1½

Gold reserve: May, 465; June, 460; July, 239 oz.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 7½ per cent.

**Langlaagte Estate.**—Capital £950,000; issued, 886,500 £1 shares. 200 stamps; five tubes.

Year to Dec. 31	Tons Milled	Revenue Amt. Per ton	Expenses Amt. Per ton	Profit Amt. Per ton	Price end of Period
1914	589,619	710,257 24/0	530,843 18/0	185,854 6/4	—
[Profits include estate, &c., revenue for 1914, £6,481.]					

(Profits include estate, &c., revenue for 1914, £6,481.)

1915.									
Mar. qr. ...	147,168	173,460	23/7	129,426	17/7	44,035	6/0	18/0	
6 months ...	299,366	356,581	23/10	271,272	18/1	85,308	5/9	18/9	
July ...	52,549	59,576	22/7	46,773	17/9	12,803	4/10	18/9	
Aug. ...	53,480	60,852	22/9	47,571	17/10	13,281	4/11	17/6	

\* For April and since ounces produced are given. The value has been calculated on the basis of £1½ per fine ounce being secured.

Dividends—1914, June, 5; Dec., 5 per cent.  
1915, June, 7½ per cent.

**Meyer and Charlton.**—Capital £200,000, in £1 shares. Two tube mills.

Year to Dec. 31	Steps.	Tons Milled	Sort- ing %	Revenue £ Amt.	Per ton	Expenses £ Amt.	Per ton	Profit £ Amt.	Per ton	Price end of Period
1914 1915.	75	177,155	3½	408,479	46/1	153,170	17/3	255,309	28/10	—
Mar. qr.	75	43,462	2	93,603	45/4	39,825	18/4	58,778	27/0	5
June qr.	75	43,954	3½	100,575	45/10	39,195	17/11	61,380	27/11	5½
July ...	75	14,996	—	33,543	44/9	13,506	18/0	20,037	26/9	5½
Aug. ...	75	15,000	—	33,979	45/3	13,490	18/0	20,489	27/3	5½x

\* In addition there was £7,648, result of clean up in January.

Dividends—1914, June, 35; Dec., 35 per cent.  
1915, June, 40 per cent.

(Continued on page 434.)

Ranks in the  
British Army  
series:  
The  
CAPTAIN.



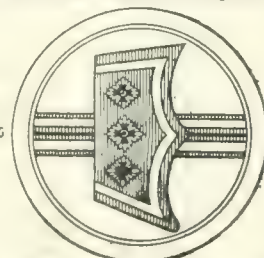
## PLAYER'S NAVY CUT DE LUXE

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Player's Navy Cut De Luxe is the outcome of many years' experience and is probably the best pipe tobacco yet offered to the public. It is perfectly accurate to describe it as being manufactured from not only the best growths of Virginia, but from the selected leaves of those best growths.

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2-oz. and 4-oz.  
Airtight Tins at  
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Terms on  
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JOHN PLAYER  
and SONS,  
Nottingham.

Branch of the Imperial Tobacco Co. (of Great Britain and Ireland), Ltd.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 8, 1915.

## Issue Department.

Notes Issued.....	£85,198,665	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	66,748,665
	£85,198,665		£85,198,665

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ...	£34,418,357
Reserve .....	3,672,843	Other Securities .....	145,230,005
Public Deposits.....	129,597,552	Notes .....	53,407,705
Other Deposits .....	85,912,422	Gold and Silver Coin .....	730,656
Seven-day and other Bills .....	30,906		
	£233,786,723		£233,786,723

## Comparison with Previous Five Weeks.

[In £'s sterling—00,000's omitted.]

Date	Active Circulation	Cash Reserves	Deposits	Securities	Reserve	Ratio Reserve to Liabilities	Bank Rate	Three Months' Bills
	£	£	£	£	£	%	%	%
1914.								
July 29	28.7	38.1	12.7	54.4	11.0	47.3	26.9	40.03
1915.								
Aug. 3	33.5	62.2	147.1	84.2	46.9	155.3	47.2	20.40
Aug. 11	32.5	66.7	142.6	85.1	45.9	148.1	51.7	22.71
Aug. 18	31.9	67.1	102.7	124.6	45.6	146.2	53.6	23.58
Aug. 25	31.8	67.3	134.1	89.5	45.6	142.1	53.9	24.13
Sept. 1	32.3	68.4	137.9	87.9	44.4	145.1	54.6	24.15
Sept. 8	31.8	67.5	129.8	85.9	34.4	145.2	54.1	25.11

July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 8, 6%; Aug. 8, 5%.

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
	£	£	£	£	%
1915.					
Total to Aug. 11 ...	142,854,360	94,070,856	48,783,504	28,500,000	58.4
Week to Aug. 18 ...	4,398,984	2,095,952	51,036,446	28,500,000	55.8
" " 25 ...	5,339,090	2,224,044	54,201,492	28,500,000	52.5
" " Sept. 1 ...	5,593,477	2,047,935	57,747,034	28,500,000	49.3
" " 8 ...	5,246,411	2,149,883	60,843,562	28,500,000	46.8

## II.—Balance Sheet, September 8, 1915.

	£	Advances	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound ...	45,595,619	Other Bankers	214,000
Ten Shilling ...	15,247,943	Trustee Savings Banks	471,000
Certificates outstanding...		Currency Note Redemption A/c—	
Investments Reserve A/c	443,299	Gold Coin and Bullion	28,500,000
		Government Securities	15,000,000
		Balance at Bank of England...	17,101,861
Total ...	61,286,861	Total ...	61,286,861

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Arrivals.	Withdrawals.
	£	£
1915.		
Sept. 2, Thursday ...	1,000,000 sovs.	Nil.
" 3, Friday ...	200,000 sovs.†	1,857,000 Foreign coin.
" 4, Saturday ...	50,000 sovs.†	Nil.
" 6, Monday ...	1,450,000 sovs.	1,150,000 Foreign coin.
" 7, Tuesday ...	Nil.	2,000,000 sovs. Japan.
" 8, Wednesday ...	1,055,000 bars.	1,100,000 Foreign coin.
	550,000 sovs.	105,000 Egypt.*
	200,000 sovs.†	5,000 Straits.*
Total for week ...	4,505,000	6,618,000
Net aggregate ...	[2,113,000 efflux for week.]	
Sept. 9, Thursday ...	Nil.	25,000 Straits.*
" 10, Friday ...	Nil.	100,000 Egypt.*

\* Set aside.

† Released.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

Bank of England (in £'s sterling, 00,000's omitted):	1905	1912	1913	1914	1915
Circulation .....	£29.4	£28.9	£29.0	£35.2	£31.8
Public Deposits .....	11.3	15.6	9.0	24.4	129.6
Other Deposits .....	43.6	47.4	43.6	131.0	85.9
Government Securities .....	18.7	13.4	12.4	25.7	34.4
Other Securities .....	29.8	36.1	26.5	117.0	145.2
Reserve .....	22.9	31.7	31.8	30.7	54.1
Ratio to Liabilities .....	45%	50.34%	60.54%	19.81%	25.11%
Bullion (both Departments) ...	35.7	42.4	42.4	47.5	67.5
Money:—					
Bank of England Rate.....	3%	4%	4½%	5%	5%
Bank of France Rate .....	3%	3%	4%	5%	5%
Rate 3 months' Bills London ...	2½%	3½-4½%	3½-4½%	3½%	4½-5%
Exchanges					
Paris Cheque.....	25 17½	25 28½	25 26	nom.	27 79
Hamburg 8 days .....	20 42½	20 44½	20 41½	nom.	20 41½
New York 60 days .....	4 83½	4 82-65	4 82-45	nom.	4 63-40
Bombay Telegraphic Transfers	1/4-1/2	1/4-1/2	1/4-1/2	Hol.	1/4
Prices:					
Consols 2½% Cash .....	90	74 3/4	73 3/4	69½	65
French Rente 3% Money .....	100 20	92 47	90 07	75	68.50
Silver, London spot.....oz.	-28½	-28½	-27½	-24 3/4	-25 1/2
Wheat, Gazette average .....	26 11	35 1/4	34 1/4	36 5/8	45 3/8
Cotton, Mid. Upland .....	-5 62	-6 72	-7 51	-6 00	-5 98
Iron, Scotch pig .....	52 6	71 9	60 9	67 1½	70 10½

## ARGENTINA.—Gold in Caja de Conversion.

Aug. 11, 1915 .....	Pesos 232,291,204
July 28, 1915 .....	230,214,520
Dec. 31, 1914 .....	221,703,321
Dec. 31, 1913 .....	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversao.

July 3 to Aug. 17, 1915 ...	£5,635,846
June 19 & 26, 1915 .....	9,972,149
Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	18,400,501
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

† Last Return before the War.

DENMARK.		Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914† ...	£4,100	£341	£4,441	£8,197	£786	£8,693	£47	
July 31, 1915 ...	5,946	300	6,246	4,579	2,087	11,352	549	
Aug. 31, 1915 ...	5,948	309	6,255	3,808	2,912	11,293	847	
Aug. 31, 1914 ...	3,829	144	3,973	8,175	1,395	10,788	625	
Aug. 30, 1913 ...			4,154	4,816	1,111	8,036	68	
FRANCE.		Gold.	Cash-Silver.	Total.	Bills.	Circulation.	Public Deposits.	Private Deposits.
Aug. 26, 1915...	£170,853	£14,670	£185,523	£11,008	£518,011	£2,763	£99,939	
Sept. 2, 1915...	173,054	14,689	187,723	11,350	522,400	1,232	96,983	
Sept. 9, 1915...	175,098	14,572	189,670	10,569	528,821	2,291	99,150	
July 30, 1914† ...	165,654	25,013	190,667	97,768	267,327	15,302	37,903	
Sept. 11, 1913 ...	137,622	25,259	162,881	54,610	220,674	10,451	26,670	
GER-MANY.		Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks	Loans & Dis-counts.	Circulation.	Deposits.
July 31, '14† ...	£82,660	£13,741	£96,401	£2,248	£114,164	£145,471	£62,923	
Aug. 23, 1915...	120,318	2,328	122,646	12,738	237,868	265,881	90,852	
Aug. 31, 1915...	120,510	2,244	122,754	10,840	247,849	278,217	86,816	
Aug. 31, 1914...	77,825	4,114	81,939	9,625	242,749	211,744	122,067	
Aug. 30, 1913...	56,073	14,000	70,073	1,972	52,842	95,784	30,579	
HOLLAND.		Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circulation.	De-posits.
Aug. 1, 1914† ...	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437	
Aug. 28, 1915 ...	31,536	194	31,730	5,369	7,501	42,609	1,785	
Sept. 4, 1915 ...	31,572	153	31,725	5,069	7,374	43,351	1,678	
Sept. 5, 1914 ...	13,517	226	13,743	15,539	10,512	37,099	2,452	
Sept. 6, 1913 ...	12,359	667	13,026	5,724	7,121	26,654	312	
ITALY.		Gold.	Cash-Silver.	Total.	Other Cash.*	Loans & Dis-counts.	Circulation.	Deposits.
July 31, '14† ...	—	—	£48,456	—	—	£25,017	£89,204	£8,897
July 20, 1915 ...	£45,811	£4,670	£50,481	£8,696	—	£1,270	£111,348	£27,006
July 31, 1915 ...	45,894	4,853	50,617	7,770	—	40,196	111,885	27,731
July 31, '14 ...	—	—	£48,456	—	—	£25,017	£89,204	£8,897
July 31, '13 ...	—	—	£49,337	—	—	£21,630	£66,763	£8,381
* Including foreign gold bills, State notes, and small change.								
JAPAN.		Cash.	Discounts.	Advances.	Notes.	Public.	Private.	Deposits.
Aug. 1, '14† ...	£21,867	£1,829	£7,863	£32,722	£13,818	£1,521		
July 31, '15 ...	21,481	701	6,853	32,349	18,606	2,201		
Aug. 7, '15 ...	21,374	659	7,060	29,332	20,676	2,784		
Aug. 8, '14 ...	21,788	1,615	7,890	30,227	16,307	1,376		
Aug. 9, '13 ...	21,674	5,897	8,112	32,323	19,045	358		
N. YORK BANKS & TRUSTS.		Own Vaults.	Reserve In De-positories.	Total.	Loans and Dis-counts.	Deposits.	Circulation.	Surplus Reserve.
Aug. 1, '14† ...	—	—	89,888	£411,238	£387,165	£8,316	£1,720	
Aug. 28, 1915 ...	£95,988	£34,632	£130,600	£529,620	£57,738	7,408	38,830	
Sept. 4, 1915 ...	99,778	34,736	134,512	£530,918	£62,960	7,398	41,904	
Sept. 5, '14 ...	—	—	78,202	£427,392	£380,478	22,872	Def. 7,426	
Sept. 6, 1913 ...	—	—	82,894	393,633	362,977	6,991	806	
NORWAY.		Gold.	Balance Abroad.	Fr'gn Gov. Securities.	Dis-counts & Loans.	Circulation.	Deposits.	
July 31, 1914† ...	£2,960	£1,678	£493	£4,868	£6,752	£793		
Aug. 23, 1915...	3,462	3,703	802	4,091	7,762	1,770		
Aug. 31, 1915...	3,519	3,698	784	4,138	7,937	1,768		
Aug. 31, 1914...	3,118	1,302	496	6,514	7,726	1,154		
Aug. 31, 1913...	2,557	1,783	504	3,925	5,955	343		
RUSSIA.		Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circulation.	Total Deposits.
July 21, '14† ...	£174,509	£7,383	£181,892	£6,689	£76,081	£163,411	£109,911	
Aug. 21, 1915 ...	165,380	4,093	169,473	7,353	338,197	402,147	142,361	
Aug. 28, 1915 ...	165,627	3,673	169,300	7,766	349,459	409,234	140,417	
Aug. 28, '14 ...	172,433	5,866	178,299	9,360	121,433	243,139	95,792	
Aug. 29, '13 ...	162,492	7,462	169,954	5,407	84,282	152,083	107,253	
SPAIN.		Gold.	Cash-Silver.	Total.	Loans & Dis-counts.	Spanish 4%.	Circulation.	Deposits, &c.
Aug. 1, '14† ...	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955	
Aug. 28, 1915...	28,708	29,759	58,467	40,720	13,777	80,469	26,331	
Sept. 4, 1915...	28,931	29,530	58,461	37,202	13,777	80,847	25,782	
Sept. 5, '14 ...	21,823	27,184	49,007	48,380	13,777	80,745	21,625	
Sept. 6, '13 ...	18,671	29,713	48,384	40,072	13,777	75,859	16,727	
SWEDEN.		Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Dis-counts & Loans.	Circulation.	Deposits.	
Aug. 1, '14† ...	£5,717	£6,150	£1,555	£7,495	£13,432	£3,903		
Aug. 21, 1915 ...	6,298	5,423	2,743	6,078	14,920	4,902		
Aug. 28, 1915 ...	6,299	5,603	2,734	5,638	14,677	4,899		
Aug. 29, '14 ...	5,734	2,926	144	9,336	15,032	3,904		
Aug. 30, '13 ...	5,703	3,676	1,264	7,472	11,914	2,686		
SWITZER-LAND.		Gold.	Cash-Silver.	Total.	Dis-counts & Advances.	Circulation.	De-posits.	
July 31, 1914† ...	£7,675	£238	£7,913	£10,391	£16,371	£3,128		
Aug. 23, 1915...	8,627	2,349	11,976	6,749	15,649	3,967		
Aug. 31, 1915...	8,630	2,387	12,017	6,907	16,305	3,319		
Aug. 29, 1914...	8,601	298	8,899	12,862	18,097	2,787		
Aug. 31, 1913...	7,130	560	7,690	5,161	11,179	1,897		
U.S. STATES.		Cash.	Gold Coin and Certs.	Total.	Loans and Discounts.	Reserve Deposits.	Circulation.	Total Resources.
FED. RES. BANKS.								Gold Res. agust. Net Liabilities.
Aug. 13, 1915...	£52,854	£57,044	£8,164	£60,386	£3,145	£74,825	84.3%	
Aug. 20, 1915...	52,397	57,820	8,350	62,019	3,169	76,494	82.1%	
Aug. 27, 1915...	53,636	57,811	8,568	63,398	3,348	77,997	82.1%	

## II.—FOREIGN BANK RATES OF DISCOUNT.

		Current Rates		A Year Ago	
		Date Fixed	%	Date Fixed	%
Paris	Aug. 20, '14	6	Aug. 20, '14	6	Aug. 20, '14
Berlin	Dec. 23, '14	6	Aug. 1, '14	6	Aug. 1, '14
Amsterdam	July 1, '15	4 1/2	Aug. 20, '14	6	Aug. 20, '14
Brussels	Aug. 27, '14	5	Aug. 27, '14	6	Aug. 27, '14
Vienna	Apr. 12, '15	5	Aug. 20, '14	6	Aug. 20, '14
Petrograd	July 27, '14	6	July 27, '14	6	July 27, '14
Rome	Nov. 8, '14	6 1/2	Aug. 3, '14	6	Aug. 3, '14
Madrid	Oct. 28, '14	4 1/2	Sept. 1, '14	6	Sept. 1, '14
Stockholm	Jan. 5, '15	5 1/2	Aug. 28, '14	6	Aug. 28, '14
New York (Fed. Res. Bank)	Feb. 4, '15	3-6			

## III.—PUBLIC INCOME AND EXPENDITURE

(000's omitted.)

Period	1915.	Receipts		Expenditures		Treasury Balance		Treasury	
		Total In- come	Rev. ex- cluding Loans	Supply In- ter- ven- ances, &c.	Debt Ad- vances, &c.	Amt. for Period	+ or - Out- stand'g		
7 days to Aug. 21	£ 5,826	62,403	46,965	8,884	55,849	108,604	+ 6,553	235,254	
7 " Aug. 28	£ 2,571	16,288	26,579	11,743	38,322	86,570	- 22,034	232,863	
7 " Sept. 4	£ 3,260	53,601	32,850	13,748	46,598	93,573	+ 7,003	235,350	
158 days to Sept. 4, 1915	86,318	806,493	513,683	281,688	795,371	93,573	+ 10,122*	+ 157,900*	
158 days to Sept. 5, 1914	66,781	123,136	88,068	34,244	122,312	11,269	+ 824*		

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—		Sept. 10, '15		Sept. 3, '15†		Aug. 26, '15		Aug. 19, '15	
		Sept. 10, '15	Sept. 3, '15†	Aug. 26, '15	Aug. 19, '15	Sept. 10, '15	Sept. 3, '15†	Aug. 26, '15	Aug. 19, '15
Holland	3 mos.	11 15	11 14	11 17 1/2	11 17	11 15 1/2	11 14 1/2	11 17 1/2	11 17
—	Cable	11 5 1/2	11 4 1/2	11 6 1/2	11 6 1/2	11 5 1/2	11 4 1/2	11 6 1/2	11 6 1/2
Italy	3 mos.	30 40	30 37 1/2	30 60	30 85	30 40	30 37 1/2	30 60	30 85
—	Cable	30 00	29 85	30 05	30 30	30 00	29 85	30 05	30 30
Lisbon & Oporto	do.	35 1/2	36	36	36 1/2	35 1/2	36	36	36 1/2
New York	do.	4 7 1/2	4 6 1/2	4 6 1/2	4 6 1/2	4 7 1/2	4 6 1/2	4 6 1/2	4 6 1/2
—	Cheques	4 6 1/2	4 6 1/2	4 6 1/2	4 6 1/2	4 6 1/2	4 6 1/2	4 6 1/2	4 6 1/2
Paris	3 mos.	28 20	28 00	28 15	27 82 1/2	28 20	28 00	28 15	27 82 1/2
—	Cable	27 7 1/2	27 6 1/2	27 7 1/2	28 25	27 7 1/2	27 6 1/2	27 7 1/2	28 25
Petrograd	do.	135 1/2	136	136 1/2	134 1/2	135 1/2	136	136 1/2	134 1/2
Scandinavia	do.	18 17 1/2	18 02 1/2	18 15	18 17 1/2	18 17 1/2	18 02 1/2	18 15	18 17 1/2
Spain (Bank places)	3 mos.	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2	46 1/2
—	Cable	24 95	24 90	24 85	25 20	24 95	24 90	24 85	25 20
Switzerland	3 mos.	25 40	25 27 1/2	25 52 1/2	25 55	25 40	25 27 1/2	25 52 1/2	25 55
—	Cable	25 00	24 80	20 07 1/2	25 15	25 00	24 80	20 07 1/2	25 15

## Foreign Rates of Exchange on London, &amp;c.

		Sept. 10, '15		Sept. 3, '15†		Aug. 26, '15		Aug. 20, '15	
		Sept. 10, '15	Sept. 3, '15†	Aug. 26, '15	Aug. 20, '15	Sept. 10, '15	Sept. 3, '15†	Aug. 26, '15	Aug. 20, '15
Alexandria	Sight	97 1/2	97 1/2	97 1/2	97 1/2	97 1/2	97 1/2	97 1/2	97 1/2
Amsterdam	Sight	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2	11 1/2
Bombay	Transfers	1s. 4 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2	1s. 4 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2
Buenos Ayres	90 days	48 1/2	48 1/2	48 1/2	47 1/2	48 1/2	48 1/2	48 1/2	47 1/2
Calcutta	Transfers	1s. 4 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2	1s. 4 1/2	1s. 3 1/2	1s. 3 1/2	1s. 3 1/2
Hong Kong	Transfers	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2	1s. 9 1/2
Italy	Sight	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2
Lisbon	Sight	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2
Madrid	Sight	24 9 1/2	24 9 1/2	24 9 1/2	25 00	24 9 1/2	24 9 1/2	24 9 1/2	25 00
Montevideo	90 days	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2	52 1/2
Montreal	Cables	84 7 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 7 1/2	84 6 1/2	84 6 1/2	84 6 1/2
New York	Sight	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
—	60 days	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
—	Cables	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
—	on Paris	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
—	on Berlin	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
—	on Vienna	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
—	on Amst'dm	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
—	on Mexico	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
Paris	Cheques	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2
Petrograd	Sight	135 1/2	136	136 1/2	134 1/2	135 1/2	136	136 1/2	134 1/2
Rio de Janeiro	90 days	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2	12 1/2
Scandinavia	Sight	18 17 1/2	18 17 1/2	18 17 1/2	18 17 1/2	18 17 1/2	18 17 1/2	18 17 1/2	18 17 1/2
Shanghai	Transfers	2s. 3 1/2	2s. 3 1/2	2s. 3 1/2	2s. 3 1/2	2s. 3 1/2	2s. 3 1/2	2s. 3 1/2	2s. 3 1/2
Switzerland	Sight	25 40	25 27 1/2	25 52 1/2	25 55	25 40	25 27 1/2	25 52 1/2	25 55
Valparaiso	90 days	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2

\* Previous day's rates.

† 10.30 a.m.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.		Ino. or Dec.*		1915 Aug.		Ino. or Dec.*	
		£	+	£	+	£	+	£	+
BIRMINGHAM	Sept. 4	2,486,097	+	845,913	69,792,437	+	4,304,719	+	7.7
BRISTOL	" 4	780,000	+	160,000	27,399,000	+	1,570,000	+	6.1
DUBLIN	" 4	3,708,806	+	780,700	131,574,900	+	12,925,400	+	10.9
LEEDS	" 4	932,304	+	269,638	22,754,482	+	4,594,948	+	25.4
LIVERPOOL	" 4	456,257	+	145,276	14,060,725	+	3,167,958	+	29.0
MANCHESTER	" 4	6,394,272	+	2,999,194	194,386,891	+	23,883,036	+	17.4
NOTTINGHAM	" 4	7,698,015	+	2,288,323	237,245,998	+	3,087,334	+	1.3
NEWCASTLE	" 4	1,943,000	+	703,000	52,253,305	+	10,087,800	+	23.9
NOTTINGHAM	" 4	394,048	+	54,786	12,535,436	+	744,751	+	5.6
PRESTON	" 4	1,260,055	+	683,053	21,455,386	+	3,048,681	+	16.5

[000's omitted from the London clearings.]

Name.	Week.	Amount.		Ino. or Dec.*		1915 Aug.		Ino. or Dec.*	
		£	+	£	+	£	+	£	+
LONDON—	Sept. 8	204,830	+	78,237	7,452,857	+	2,114,207	+	22.1
TOWN	" 8	17,025	+	3,429	650,134	+	41,419	+	6.8
METROPOLITAN	" 8	33,237	+	8,180	1,073,034	+	116,314	+	12.1
COUNTRY	" 8	255,092	+	87,896	9,175,995	+	1,956,474	+	17.6

The following special items are included in the London clearings:—

STOCK EXCHANGE	Settling Days.	CONSOLS		"FOURTH" OF THE	
		Settling Days.	MONTH.	Settling Days.	MONTH.
1915	£	1915	£	1915	£
July 29	38,882	July 1	59,808	July 3	45,682
Aug. 12	43,164	Aug. 5	52,168	Aug. 4	56,063
Aug. 27	42,899	Sept. 1	54,180	Sept. 4	39,722
1915	658,305	1914	434,108	1914	411,952

\* Compared with a year ago.

## VI.—FREIGHTS.—According to Messrs. Farrar, Groves &amp; Co., representative steam freight quotations compare as follows:

HOMEWARDS.	1915.	1914.	1913.	Homewards—cont.	1915.	1914.	1913.
Alex. to Lond. or Hull	25/0	11/0	U.S. Atl. Ports to U.K.	8/9	2/3	3/3	
Aust. to U.K. or Cont.	30/0	31/0	Cont. (grain)	—	—	—	
Azoff to L.H.A.R.	—	13/8	N.O. to L.H. (cotton)	—	—	—	
Bombay to p.p. d.w. 51/3d. w. 20/0d. w. 23/8	—	27/0	N.O. to U.K. Cont. (gr.)	—	2/8	—	
Burmah o.o.	—	27/0					
Calcutta to p.p. d.w. 67/8	35/0	35/0	OUTWARDS.—Cardiff to				
Danube to L.H.A.R.	—	9/0	Bom. Col. Port River St. Vin.				
Odessa to L.H.A.R.	—	12/8	bay, ombo. Said. Plate, cent.				
River Plate U.K. Cont.	62/8	15/0					
U.S. Atlantic Ports to	—	1915...					
L.H. (cotton)	140/0	—	1914...				
			1913...				

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

	SEPT. 11.	1915.	1914.*	1913.
METALS, MINERALS, &c.				
Iron—Scotch pig warrants	ton	70/101	57/11	80/9
— Middlebro' warrants	ton	84/84	51/0	55/8
— Hematite warrants	ton	95/0	88/0	87/3
— Staffordshire bars, London	ton	£12	£9	£9 10
— Common bars	ton	£11 12/8	£8	£7 12/8
— Stock, Middlebro'	tons	142/354	92/852	179/547
Steel Rails	ton	£8 2/8	£8 15	£8 12/8
Copper—Standard	ton	£87 12/8	£58 10	£72 10
— Stock, Europe & Ind., Aug 31/10	ton	39/237	34/808	34/048
Tin—English ingots	ton	£155	£137	£198
— Straits	ton	£154	nom	£193 10
Tinplates—Coke Ltd.	box	17/10 18/11	14/6 18/9	14/3 18/6
Lead—Soft Foreign	ton	£23 7/8	18/9	£20 2/8
Spelter—Ord. Foreign	ton	£74	nom	£21 6/3
Quicksilver—(75lb.)	bottle	£18 10	£8 15	£7 6
Aluminum	ton	£180	£190	nom
Antimony—Recdus	ton	nom.	nom.	£35
Coal—Steam (best) Cardiff	ton	nom.	22 0	20/3
— (best) Newcastle	ton	18/6	13/9	15/3

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -	
Bal. & C. Down	Sept. 3	80	—	£4,025	+	300 35	133,090	+	11,530
Cork, Ban. & S. C.	Sept. 3	103	—	2,182	+	24 35	72,700	+	3,268
Dublin & S. E.	Sept. 3	180	—	7,210	+	89 35	195,092	—	1,727
Gt. Northern	Sept. 3	581	—	26,830	+	1,680 35	809,170	+	21,920
Gt. S. & Western	Sept. 3	1,130	—	37,798	+	2,090 35	1,145,074	+	95,014
Mid. Gt. West.	Sept. 3	638	—	14,916	+	1,021 35	445,400	+	13,025

\* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross. Rupees.	+ or - Rupees.	Wks.	Total. Rupees.	+ or - Rupees.
Assam Bengal Aug.	7	862	+11	1,21,000	-	289 19	24,15,611	+ 60,392
Barsi Light ... Aug.	7	116		16,000	+ 4,400	19	4,38,000	- 71,000
Bengal & N.W. Aug.	7	2,041	+13	2,90,460	- 62,629	19	69,67,468	- 10,37,575
Bengal Dooars Aug.	14	163		26,464	+ 10,847	20	5,28,574	- 9,697
Beng. Nagpur Aug.	7	2,885	+ 7	6,43,000	+ 29,000	19	1,45,36,000	+ 61,000
Bomb. Baroda Sept.	4	2,859	+32	10,11,000	- 1,000	23	2,58,99,000	- 6,39,000
Burma ..... July	31	1,342		2,90,555	- 80,474	18	67,45,244	- 13,22,922
East Indian ... Sept.	4	2,718	-	17,44,000	-3,29,000	23	4,64,86,000	- 99,000
Gt. Indian Pen. Sept.	4	2,981	+151	13,49,400	+2,97,700	23	3,44,84,310	+ 39,012
Madras & S.M. Aug.	14	3,132		7,40,000	+ 76,834	20	1,78,30,432	+ 5,68,193
Nizam's Guar. Aug.	7	797		2,02,285	+ 30,766	19	35,72,283	- 5,67,054
Roh. & Kumaon Aug.	7	545	+ 1	62,147	- 2,655	19	13,92,244	+ 45,693
South Indian Aug.	7	1,763	+10	5,67,316	+ 58,409	19	1,03,84,198	- 4,94,150
South Punjab M. of Apr.		823		4,53,144	- 1,841	1†		

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Can. Northern Aug.	31	4,965	+295	\$397,500	+	11,300 8	2,399,000	+563,000
Can. Pacific Aug.	31	12,821	+694	2,856,000	+	124,000 8	16,309,000	+4,091,000
Gd. Trunk Pac. Aug.	31	816	—	£19,197	+	5,207 8	98,788	+46,401
Grand Trunk Sept.	7	4,008	—	181,718	+	3,078 35	5,473,585	+499,326
Gd. Trunk W. Sept.	7	338	—	30,616	+	2,794 35	1,013,853	+11,345
Det. Gd. Ha. Sept.	7	189	—	11,990	+	1,023 35	365,358	+19,828
Mashonaland M. of June	7	761	—	45,729	+	14,891 9†	360,219	+217,626
Mid. W. Aust. M. of June	7	277	—	4,913	+	4,545 12†	68,694	+48,528
New Cape Cent. Aug.	14	205	—	1,831	+	382 33	69,740	+592
Rhodesia Rlys. M. of June	1,397	—	—	69,940	+	14,563 9†	563,075	+215,525

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+/-	Gross.	+ or -	Wks.	Total.	+ or -
Alcoy & Gandia	Sept. 4	33	—	Pa. 10,000	—	36	441,700	— 35,750
Antofagasta	Sept. 5	819	—	\$ 29,340	+	9,980 36	827,905	391,609
Arauco	M. of June	844	—	\$ 5,250	—	712 6†	37,876	10,874
Arg. N. East	Sept. 4	752	+ 85	\$ 8,152	+ 3,402	10	62,765	+ 14,744
Arg. Transand.	Sept. 4	111	—	\$ 230	—	40 10	1,840	— 1,110
Bolivar	M. of July	110	—	\$ 7,000	+	505 1†	—	—
Brazil	M. of May	3,362	—	M 3,282,000	— 17,244	5†	15,963,000	— 804,584
Paulista	M. of May	721	—	M 1,500,000	— 238,338	5†	8,850,000	+ 101,324
Mogiana	M. of May	1,131	+ 57	M 1,263,000	— 256,423	5†	7,833,000	+ 261,381
B.A. & Pacific	Sept. 4	3,535	+ 29	\$ 75,000	+ 17,000	10	770,000	+ 141,000
B.A. Gt. S. Co.	Sept. 5	3,792	+ 63	\$ 80,000	+ 24,000	10	762,908	+ 85,967
B.A. Western	Sept. 5	1,867	+ 75	\$ 41,000	+ 9,000	10	412,000	+ 69,000
Cent. Argentine	Sept. 4	3,307	+ 45	\$ 105,600	+ 16,100	10	1,060,800	+ 144,300
Cent. Uruguay	Sept. 4	271	—	\$ 12,380	+ 3,565	10	102,275	+ 18,348
" (E. Ext.)	Sept. 4	311	—	\$ 3,763	+ 1,355	10	32,442	+ 8,198
" (N. Ext.)	Sept. 4	185	—	\$ 1,926	+ 784	10	17,672	+ 3,595
" (W. Ext.)	Sept. 4	211	—	\$ 1,709	+ 679	10	14,020	+ 3,063
Colomb. Nat.	M. of May	86	—	\$ 9,612	— 2,928	5†	47,412	— 1,155
Col. Rys. & Nav.	M. of May	861	—	\$ 19,809	— 6,677	11†	224,068	— 52,213
Cord. Central	Sept. 4	1,188	—	\$ 30,500	— 9,800	10	341,250	— 21,030
Cuban Central	Sept. 4	364	+ 9	\$ 7,204	+ 238	10	71,485	+ 7,405
Dorada Ext.	M. of Aug.	71	—	\$ 9,900	— 100	8†	62,900	— 6,700
Egyptian Delta	Aug. 20	819	— 4	\$ 3,978	— 350	20	55,981	— 24,107
Entre Rios	Sept. 4	730	—	\$ 9,100	— 2,400	10	84,700	— 11,500
Gt. S. of Spain	Aug. 21	104	—	Pa. 61,273	+ 12,704	34	1,970,300	— 376,063
Gt. W. Brazil	Sept. 4	1,010	—	\$ 6,700	— 400	36	342,800	— 101,500
La Guairica (Ca.)	M. of Aug.	23	—	\$ 5,750	— 3,000	8†	54,750	— 22,500
Leopoldina	Sept. 4	1,806	+ 54	\$ 29,391	+ 8,941	36	1,009,078	+ 77,504
Manila North	Sept. 4	315	+ 10	\$ 3,634	+ 1,273	36	193,282	+ 38,754
Manila South	Sept. 4	266	+ 91	\$ 3,195	+ 2,144	36	134,859	+ 14,003
Mid. Uruguay	M. of Aug.	319	—	\$ 12,653	— 5,099	2†	22,788	— 6,810
Nitrate (2 wks.)	Aug. 31	366	—	\$ 19,802	— 6,419	35	205,468	— 243,405
N.W. Uruguay	M. of Aug.	113	—	\$ 25,000	— 8,257	2†	46,500	— 8,941
Paraguay Cent.	Sept. 4	255	—	\$ 509,000	+ 215,000	10	3,967,000	+ 1,546,000
Peruvian Corp.	M. of Aug.	1,059	—	\$ 819,039	+ 164,095	2†	1,543,877	+ 98,568
Puerto Cabello	M. of July	24	—	\$ 3,000	— 26,378	7†	26,158	— 1,592
Salvador	Sept. 4	100	—	\$ 17,250	—	10	212,000	+ 20,334
San Paulo	Aug. 29	1,531	—	\$ 34,182	+ 15,093	9	336,695	+ 67,407
Taital	M. of Aug.	184	—	\$ 18,218	+ 1,253	2†	26,378	+ 15,135
U. of Havana	Sept. 4	681	—	\$ 22,990	+ 4,494	10	224,802	+ 41,312
Urug. Northern	M. of Aug.	73	—	\$ 1,745	+ 446	2†	3,532	+ 678
W. of Havana	Sept. 4	147	—	\$ 4,396	— 286	10	48,212	+ 6,729
Zafra & Ilva.	M. of June	112	—	\$ 7,061	— 6,058	6†	43,248	— 42,678

## TRAMWAYS.

■ Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -	
Anglo-Argentine Sept.	2	389	+ 214	\$ 49,780	+	3,883 35	1,783,472	+	131,831
Auckland (4wks) July	30	261	—	\$ 20,408	—	374 4	37,684,110	+	1,239,922
Brazil'n Tract'n M. of June	—	—	—	\$ 5,891,940	+	403,040 6	244,714	+	12,887
Brisbane El'ric M. of Aug.	30	—	—	\$ 35,084	+	1,892 8	336,104	+	28,582
Bristol..... Sept.	3	31	—	\$ 10,365	—	887 35	—	—	—
British Columbia M. of July	242	+ 61	—	\$ 610,723	+	179,300 1	23,19,607	+	102,738
Calcutta..... Sept.	4	351	—	\$ 85,484	+	3,463 36	—	—	—
Cape Electric..... M. of July	42	38	—	\$ 17,322	+	2,649 1	14,328	+	4,642
Carth. & Herr..... M. of Aug.	8	91	—	\$ 1,523	+	1,235 8	38,186	+	214
Cork Electric..... Sept.	2	9	—	\$ 1,050	+	49 35	214,723	+	6,463
Dublin United Sept.	3	542	—	\$ 8,257	+	201 35	1,576,577	+	87,290
Havana Electric Aug.	1	—	—	\$ 61,038	+	2,148 31	20,354	+	10,303
Isle of Thanet..... Sept.	4	27	- 5	\$ 756	—	435 50	16,179	+	857
Kadgorlie..... M. of June	204	—	—	\$ 2,707	+	15 6	92,618	+	39,446
Langarkshire..... Sept.	2	284	—	\$ 2,150	+	231 35	468,912	+	3,274
London O. C..... Sept.	1	141	- 1	\$ 46,219	+	3,151 22	847,763	+	119,837
Madras Electric Aug.	31	—	—	\$ 62,632	+	3,103 35	104,835	+	10,210
Manila Electric M. of July	—	—	—	\$ 123,760	+	10,160 7	38,984	+	3,054
Provincial..... Sept.	4	21	—	\$ 2,508	+	164 48	278,346	+	31,392
Rangoon El'ric M. of Aug.	25	—	—	\$ 4,510	+	119 8	67,252	+	4,444
U. of Montevideo M. of Aug.	80	—	—	\$ 26,493	+	418 10	—	—	—
Yorks. W. Ind. Sept.	5	24	—	\$ 1,656	+	193 36	—	—	—

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 240,219 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (M) Mileage. (N) Compared with previous year. (P) Months. (Q) Track miles. (R) Includes Detroit, Grand Haven and Milwaukee Railway. (S) No. of cars. (T) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -	
453 Cos. (000's omitted)	June to June	(c) \$248,850	—	\$1,314	+	\$12,181
	12 mos.	(f) 2,937,516	—	154,681	+	22,551
Alabama Gt. Southern	June to June	392,000	—	39,000	+	48,000
	12 mos.	4,776,000	—	649,000	+	34,000
Ala. New Or. Tex. & Pac. :						
Ala. & Vicksburg ... a	July to June	124,000	—	10,000	+	3,000
	12 mos.	1,623,000	—	375,000	+	113,000
New Orleans & N.E. a	July to June	293,000	—	40,000	+	5,000
	12 mos.	3,664,000	—	568,000	+	66,000
Vicks. Shreve. & Pac. a	July to June	121,000	+	15,000	+	3,000
	12 mos.	1,417,000	+	424,000	+	228,000
Atchison, Top. & S.F. e	July to June	10,422,000	+	813,000	+	478,000
	12 mos.	117,665,000	+	6,655,000	+	3,937,000
Atlantic Coast Line... a	July to June	2,177,000	—	381,000	—	79,000
	12 mos.	31,636,000	—	5,295,000	—	2,016,000
Baltimore & Ohio..... b	July to June	8,671,000	—	524,000	—	805,000
	12 mos.	91,815,000	—	7,349,000	—	3,130,000
Canadian Northern ... b	July to June	1,206,100	—	388,200	—	145,400
	12 mos.	17,225,800	—	4,476,000	—	1,523,000
Canadian Pacific..... b	July to June	7,895,000	—	2,587,000	—	978,000
	12 mos.	98,865,000	—	30,950,000	—	8,851,000
Chesapeake & Ohio ... b	July to June	3,643,000	—	378,000	—	323,000
	12 mos.	39,463,000	—	2,004,000	—	862,000
Chicago & N. Western... a	July to June	7,069,000	—	251,000	—	295,000
	12 mos.	83,680,000	—	4,220,000	—	654,000
Chic. Burl. & Quincy... b	June to June	7,264,000	—	362,000	—	17,000
	12 mos.	91,125,000	—	2,665,000	—	221,000
Chicago Great Western b	May to May	1,088,000	—	10,000	—	60,000
	11 mos.	12,739,000	—	445,000	—	50,000
Chic. Mil. & St. Paul... a	July to June	8,219,000	—	394,000	—	428,000
	12 mos.	91,435,000	—	2,175,000	—	1,900,000
Chic. Rock I. & Pacific... a	June to June	5,654,000	—	550,000	—	576,000
	12 mos.	70,942,000	—	2,266,000	—	856,000
Ch. St. P. Min. & Omaha b	July to June	1,433,000	—	147,000	—	85,000
	12 mos.	18,197,000	—	375,000	—	312,000
Clev. Cin. Chic. & St. L. a	July to July	3,163,000	+	16,000	+	20,000
	7 mos.	20,206,000	+	476,000	+	3,867,000
Colorado & Southern... a	July to June	1,108,000	—	16,000	—	32,000
	12 mos.	14,090,000	—	868,000	—	625,000
Cuba Railroad .....	July to June	420,000	+	38,000	+	49,000
	12 mos.	5,207,000	+	42,000	+	267,000
Delaware & Hudson... b	July to July	2,045,000	+	48,000	+	106,000
	7 mos.	12,827,000	+	81,000	+	577,000
Denver & Rio Grande... a	July to June	2,002,000	—	1,000	—	92,000
	12 mos.	21,823,000	—	1,770,000	—	388,000
Erie Railroad..... a	July to July	5,673,000	+	254,000	+	701,000
	7 mos.	35,258,000	+	1,425,000	+	1,253,000
Grand Trunk Railway... a	July to July	6793,500	—	651,800	—	226,400
	7 mos.	4,840,650	—	425,000	—	278,200
Grand Trunk Western a	July to July	130,700	+	6,300	+	21,600
	7 mos.	845,000	+	10,550	+	45,100
Great Northern .....	June to June	\$5,194,000	—	\$878,000	—	\$179,000
	12 mos.	67,134,000	—	9,689,000	—	1,253,000
Hocking Valley..... b	June to June	613,000	+	38,000	+	25,000
	12 mos.	6,181,000	+	840,000	+	221,000
Illinois Central .....	July to June	4,878,000	—	517,000	—	175,000
	12 mos.	62,111,000	—	4,261,000	—	861,000
Kansas City Southern a	July to June	831,000	—	114,000	—	10,000
	12 mos.	10,035,000	—	935,000	—	609,000
Lehigh Valley .....	July to June	3,734,000	+	162,000	+	110,000
	12 mos.	42,528,000	+	866,000	+	496,000
Louisville & Nashville a	July to June	4,489,000	—	318,000	—	104,000
	12 mos.	51,607,000	—	8,301,000	—	2,264,000
Michigan Central..... a	June to June	3,118,000	+	221,000	+	280,000
	6 mos.	16,558,000	+	296,000	+	603,000
Min. St. P. (Soo) System... a	June to June	2,056,000	—	187,000	—	81,000
	12 mos.	27,763,000	—	1,643,000	—	84,000
Miss. Kansas & Texas... b	July to June	2,517,000	—	199,000	—	158,000
	12 mos.	32,889,000	—	1,018,000	—	1,240,000
Missouri Pacific .....	June to June	4,555,000	—	148,000	—	11,000
	12 mos.	55,207,000	—	1,776,000	—	1,031,000
New York Central..... a	July to July	13,862,000	+	833,000	+	1,343,000
	7 mos.	89,416,000	+	3,233,000	+	7,975,000
N.Y.N. Haven & Hart. a	June to June	6,128,000	+	482,000	+	1,551,000
	12 mos.	65,379,000	—	2,073,000	—	4,077,000
N.Y. Ontario & Western a	July to June	982,000	—	31,000	—	40,000
	12 mos.	8,927,000	—	325,000	—	29,000
Norfolk & Western..... a	July to June	4,467,000	+	718,000	+	594,000
	12 mos.	42,988,000	—	1,665,000	—	382,000
Northern Pacific..... a	June to June	5,350,000	—	442,000	—	1,418,000
	12 mos.	63,172,000	—	2,727,000	—	783,000
Pennsylvania System :						
E. of Pittsburgh..... a	July to July	22,663,000	+	841,000	+	1,384,000
	7 mos.	135,415,000	+	3,075,000	+	2,545,000
W. of Pittsburgh..... a	July to July	10,544,000	+	291,000	+	521,000
	7 mos.	62,661,000	+	1,646,000	+	1,462,000
Pitts. C.O. & St. Louis a	June to June	3,328,000	—	9,000	—	390,000
	6 mos.	18,439,000	—	727,000	—	123,000
Phila. & Reading Ry.... b	July to May	4,083,000	+	260,000	+	308,000
	11 mos.	43,405,000	+	1,178,000	+	1,139,000
Phila. & R. Coal & Iron b	May to May	2,287,000	—	835,000	—	210,000
	11 mos.	28,124,000	—	2,594,000	—	344,000
St. L. & San Francisco a	June to June	3,407,000	—	4,000	—	130,000
	12 mos.	42,967,000	—	1,949,000	—	1,615,000
Seaboard Air Line..... a	June to June	1,829,000	—	324,000	—	164,000
	12 mos.	21,280,000	—	4,140,000	—	1,661,000
Southern Pacific..... a	July to June	12,693,000	+	1,330,000	+	1,311,000
	12 mos.	129,366,000	—	8,656,000	—	2,906,000
Southern .....	June to June	4,744,000	—	489,000	—	389,000
	12 mos.	62,200,000	—	5,551,000	—	917,000
Union Pacific .....	July to June	7,847,000	+	288,000	+	173,000
	12 mos.	86,958,000	—	5,167,000	—	1,446,000
Wabash .....	July to June	3,422,000	—	227,000	—	236,000
	12 mos.	29,083,000	—	1,117,000	—	341,000
Western Pacific..... b	June to June	815,000	+	91,000	+	102,000
	12 mos.	8,708,000	—	643,000	—	917,000



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# The Statist.

LONDON, SATURDAY, SEPTEMBER 11, 1915.

## THE FINANCIAL STRENGTH OF GREAT BRITAIN.

In measuring the financial strength of nations a great many factors have to be weighed and given their due importance. An old country with an established population, enjoying a great fund of wealth accumulated through the centuries, and possessing a complete system of roads and railways, must be measured by standards that do not apply to young countries with their populations liable to fluctuate widely in numbers, with their newly acquired wealth susceptible of sudden contraction, with incomes subject to heavy reduction from time to time, and with roads, railways, and houses at all times insufficient for their needs. An old country owing nothing to other lands runs little or no financial danger, however great may be its national debt; whereas a young country possessing only a relatively small national debt may experience difficulty in meeting its obligations if its income is suddenly reduced by any one of several causes. In the case of an old country with an established income the debt is merely due from the nation as a whole to individuals within the nation, and the interest it pays comes back to its Government in taxation either directly or indirectly. But a young country usually incurs debt to a foreign nation, and then the interest paid on the debt does not come back to its Government in taxation.

How large an indebtedness an old nation can incur without serious strain and without much discomfort is shown by the experience of Great Britain in the Napoleonic wars of a century ago. In 1816, after these wars were over, Great Britain's population was about 20,000,000, her accumulated wealth was no more than £2,500,000,000, and her income did not exceed £300,000,000, yet she incurred a debt of £895,000,000 with an annual interest charge of £33,000,000. It is true that at that time the taxation of the poor was heavy, but, on the other hand, the taxation of the rich was light, and no one ever doubted the country's power to meet a debt charge which called for 11 per cent. of the nation's annual income, or to carry a debt that was equal to over one-third of the nation's total wealth and to three

times the nation's annual income. Such a debt charge would, however, severely strain the powers of a young country, as the latter would probably owe abroad the greater part of the sum borrowed.

One is now discussing war debts—not debts incurred to increase production. Money raised for the latter purpose, if not expended too rapidly or too unwisely, should bring about a great expansion of income, and enable the borrowing country easily to meet any interest it has to pay. The British obligation of nearly £900,000,000 in 1816 was debt incurred for purely unproductive purposes, and the interest upon it had to come out of an income not appreciably increased by the creation of the debt.

And the British people experienced no difficulty in meeting this great burden of interest, which was equal to 11 per cent. of their total income. Moreover, in 1816 the total annual expenditure of the Government reached £65,000,000—a sum equal to over 25 per cent. of the nation's entire income.

Great as may be the debt incurred in the present gigantic War, and great as may be the Governmental expenditure thereafter, the burden of the interest and expenditure will be nothing like as great as was the burden of interest and expenditure in 1816 and in succeeding years in relation to the power of the country to bear it. At the present time the population of Great Britain is nearly 47,000,000, while her accumulated wealth is in the neighbourhood of £17,000,000,000, and the annual income of the British people is about £2,400,000,000. Prior to the War now being waged the amount of British debt had been reduced to £706,000,000, and the interest charge was no more than £17,341,000—a sum equal to less than three-quarters of 1 per cent. of the nation's income. Moreover, the total Governmental expenditures of the country (excluding the reproductive services—the Post Office, telephones, &c., which yield a substantial profit) were only £165,000,000, equal to less than 7 per cent. of the nation's income, against a proportion of 25 per cent. in 1816. This expenditure in 1913-14 included the large sums which the Government was paying for education, sickness, and old age—expenditures which, until a few years ago, were paid entirely by individuals and not by the Government.

### Great Britain's Expenditures in 1913-14 (Prior to the War)

	£
Interest .. .. .	16,894,000
Road Improvement Fund .. .. .	1,395,000
Payments to Local Taxation Account .. .. .	9,734,000
Other Consolidated Fund Services .. .. .	1,694,000
Army .. .. .	28,364,000
Navy .. .. .	48,833,000
Civil Services :—	
Public Education .. .. .	19,450,000
Health Insurance, &c. .. .. .	7,066,000
Old-Age Pensions .. .. .	12,600,000
Other Civil Services .. .. .	14,785,000
Customs and Inland Revenue .. .. .	4,483,000
Total .. .. .	165,280,000
Sinking Fund .. .. .	7,606,000
Post Office Services .. .. .	24,607,000
Grand Total .. .. .	197,493,000

The total Sinking Fund payments charged to expenses in 1913-14 were about £10,000,000 as beyond the sums specially earmarked, other amounts were charged on the Army, Navy, and Post Office votes.

In spite of the increase in expenditure in the last 15 years the burden of the normal Governmental expenditures is much less than it was in the days of Mr. Gladstone, having regard to the great expansion in the income and wealth of the nation. The burden on the wealthy relatively to their wealth has not increased, while the burden on the great mass of the people has been greatly reduced in proportion to their incomes. The following statement of the incomes assessed to income tax since the income tax was

introduced in 1843 furnishes a fairly good indication of the relative growth of the nation's income from decade to decade:—

*Incomes Assessed to Income Tax.*

	Exempt under £	£
1843-44* .. .. .	150	243,830,000
1853-54 .. .. .	100	286,885,000
1863-64 .. .. .	100	371,103,000
1873-74 .. .. .	100	543,026,000
1883-84 .. .. .	150	628,510,000
1893-94 .. .. .	150	673,712,000
1903-04 .. .. .	160	902,759,000
1913-14 .. .. .	160	1,167,184,000

\* This was the first year after the income tax was re-introduced by Sir Robert Peel.

Allowing for depreciation, &c., the net income of persons paying income tax in 1913-14 prior to the War was close to £1,000,000,000.

It should be noted that the above statement of income does not include salaries and wages exempt from income tax. This additional income in 1913-14 amounted to about £1,400,000,000, whereas in 1843-44 it was only £235,000,000. The nation's total income in 1843-44 was about £460,000,000, and in 1913-14 it was £2,400,000,000, a more than five-fold growth.

To show the lightness of the burden of taxation in Great Britain in proportion to the income available in 1913-14 in comparison with 1859-60 and with 1815-16 I present the following statement:—

	Population	National Income per Annum £	Taxation per Annum £	Annual Excess of Income over Taxation £
1815-16	20,000,000	300,000,000	62,000,000	238,000,000
1859-60	29,000,000	700,000,000	66,000,000	634,000,000
1913-14	46,000,000	2,400,000,000	163,000,000	2,237,000,000

The great increase in the margin of income in excess of taxation both actually and in proportion to population will be evident from the following statement:—

	Income per Head £	Taxation per Head £	Income in Excess of Taxation per Head of Population £
1815-16 ..	15	3.1	11.9
1859-60 ..	24.1	2.2	21.9
1913-14 ..	52.1	3.5	48.6

The burden of taxation in England has thus been growing smaller from decade to decade over the last century until it has become quite unimportant in comparison with the national income available for paying it. A century ago the great mass of the British people were burdened with indirect taxation, while the burden of direct and indirect taxation falling on rich people was insignificant. Now there is practically no burden of taxation on the great mass of the people, and only a very moderate burden upon the rich. In no country in the world, with the exception of the United States, has the burden of taxation been as light as it has been in Great Britain in proportion to the national income. What other country can show absence of taxation upon practically all necessities of life and upon most comforts, and that it draws its revenue almost entirely from the taxation of luxuries?

The Customs revenue of the British people in 1913-14 was as follows:—

*British Revenue from Customs—1913-14.*

	£	£
Spirits .. .. .	4,435,000	
Wine .. .. .	1,152,000	
Beer .. .. .	32,000	
Total Alcohol .. .. .	5,619,000	
Motor Spirit .. .. .	824,000	
Tobacco .. .. .	18,263,000	
Tea, Coffee, Cocoa, and Chicory .. .. .	7,061,000	
Sugar .. .. .	3,272,000	
Dried and Preserved Fruits .. .. .	514,000	
Miscellaneous .. .. .	16,000	
Total Customs Receipts .. .. .	35,569,000	

The corresponding Excise revenue—that is to say, the revenue raised from taxes on British-made goods, &c., in 1913-14—was as follows:—

*British Revenue from Excise—1913-14.*

	£	£
Exciseable Liquors:		
Beer Duty .. .. .	13,623,000	
Spirit Duty .. .. .	19,540,000	
Total .. .. .	33,163,000	
Spirit, Wine and Beer Licences .. .. .	4,440,000	
Total Alcohol and Alcohol Licences .. .. .	37,603,000	
Carriage, Motor Car, &c., Licences .. .. .	730,000	
Patent Medicine Labels .. .. .	360,000	
Railway Duty .. .. .	288,000	
Miscellaneous .. .. .	677,000	
Total Excise Receipts .. .. .	39,658,000	

Thus the total sum raised by Customs and Excise duties was £75,000,000, and of this sum £43,000,000 was raised by taxes upon alcohol and £18,000,000 on tobacco. The revenue raised from comforts—tea, sugar, coffee, cocoa, and dried fruits—consumed by all classes of the people, but mainly by the masses, was less than £11,000,000, or less than one half of 1 per cent. of the nation's income. If one were to assume that the whole of the taxation upon these comforts was paid by the working and salaried classes, it would represent no more than three-quarters of 1 per cent. of their income. All other food is absolutely free of taxation. Apart from revenue contributed by drinkers of alcohol, this was in 1913-14 all the taxation for national purposes paid by the great mass of the people of Great Britain.

Next to these Customs and Excise duties, the only other tax that has to be paid by a great many people is "House Duty," which in 1913-14 yielded a sum of £1,930,000. This small tax is imposed upon houses of £20 rental and over, and therefore is paid upon only about 2,000,000 houses, while about 7,000,000 houses are exempt as their rental is less than £20 per annum. Therefore, the duty falls on the higher-class artisans receiving substantial wages, and the wealthier classes.

The tax upon incomes in 1913-14 yielded a sum of £47,249,000. The nominal rate of duty was 1s. 2d. in the pound, but the average virtual rate levied on each pound of taxable income was no more than 11d. This tax only applied to incomes of £160 a year and over, and was collected on a total taxable income of about £977,000,000. The nominal rate of tax on earned incomes of less than £2,000 a year was 9d. in the pound, but the virtual rate of tax was no more than 4.44d. in the pound, as substantial abatements were made on incomes between £160 and £700.

A super-tax of 6d. in the pound was in 1913-14 charged upon incomes of over £5,000 a year, and this yielded a sum of £3,120,000. The total income upon which super-tax was charged was estimated at £165,300,000, received by 13,500 people.

Income tax and super-tax together yielded £47,022,000, and this was equal to a charge of less than 5 per cent. on the incomes on which tax was paid, and to no more than 2 per cent. on the nation's total income.

Death duties brought in an income of £27,359,000. This is practically the only tax on capital imposed by Great Britain. The net value of the estates assessed to duty in 1913-14 was £296,432,000, and on this sum the amount paid was equal to 9.2 per cent. But it is well known that very large amounts of capital escape duty either by gifts *inter vivos* or by the under-valuation and exemption of property, and when compared with the nation's total wealth of about £17,000,000,000 the income represents an annual tax of no more than one-sixth of 1 per cent., while compared with the nation's total income of about

£2,400,000,000 it is a tax of a shade over 1 per cent. only, and in comparison with the nation's income assessed to income tax of nearly £1,000,000,000 it is a tax of no more than  $2\frac{1}{2}$  per cent.

From "Stamps" a revenue of £9,983,000 was obtained. Stamps are imposed on many things, but their incidence is so light that no one heeds them. The principal sources from which this stamp revenue was derived are as shown below:—

*British Revenue from Stamps—1913-14*

	£
Conveyances (Lands and Houses and other Property)	1,485,000
Mortgages, &c. ( .. .. . )	182,000
Marketable Securities transferable by delivery ..	1,035,000
Share Warrants to Bearer .. .. .	150,000
Bonds, Debentures, &c. (at 2s. 6d. per cent. duty)	82,000
Companies' Share Capital Duty .. .. .	705,000
Loan Capital Duty .. .. .	21,000
Contract Notes (Brokers') .. .. .	312,000
Transfers of Stocks and Shares .. .. .	1,431,000
Composition for Duty from Corporations, &c. ..	117,000
Cheques, Receipts and other Documents .. ..	2,017,000
Bills of Exchange and Promissory Notes .. ..	1,036,000
Bankers' Bills and Notes .. .. .	124,000
Bills of Lading .. .. .	120,000
Marine Insurance Policies .. .. .	190,000
Life Insurance Policies .. .. .	111,000
Documents (Deeds, &c.) not classified .. ..	304,000
Solicitors' and Conveyancers' Certificates .. ..	146,000
Miscellaneous .. .. .	415,000
<b>Total Stamps " .. .. .</b>	<b>9,983,000</b>

The only other taxes are the land tax, yielding £700,000, and the land value duties, which produced £715,000. The land tax is a survival from 1798, when a tax of £1,905,000 was placed on the land for the purpose of carrying on the war with Napoleon. To raise as large a sum as possible at the earliest moment, owners of land were allowed to redeem the annual tax, and the yield has now been reduced to £630,000. The tax is thus a negligible one. The land value duties were imposed in the 1909 Budget which evoked so much opposition, and consist of taxes on the increment value of land, on reversions, on undeveloped land, and upon mineral rights. These duties were expected to give a large return as the wealth of the country increased and the value of town lands rose. At present the taxation of land is quite unimportant.

Thus the total sum raised by taxation in 1913-14 was £163,029,000, raised entirely by direct or indirect taxation upon luxuries and comforts, and bearing a proportion to the nation's total income of no more than 7 per cent. Of this total the taxation imposed upon the great working classes could scarcely be less, representing only about 10s. in £100 of their income, exclusive of the taxation upon alcohol and tobacco. The taxation imposed on the wealthier classes with average incomes of about £800 a year per person paying income tax was less than 9 per cent. of their incomes, plus a small additional sum in respect of alcohol and tobacco.

Including alcohol and tobacco, the wage-earning classes pay in taxation about 4 per cent. of their incomes, and the wealthy classes about 10 per cent. of their incomes. Furthermore, it should be borne in mind that the wage-earning classes receive back in free education, in health insurance, and in old-age pensions about two-thirds of the sums they contribute in taxes.

Of course, all this applies to the cost of Government; the expenditures for local purposes upon roads, sanitation, education, &c., are paid for by "rates," and in the matter of "rates" the working classes probably contribute more than their fair quota. If both taxes and rates are included, however, it is abundantly evident that the burden of taxation imposed upon the British people is a very light one in comparison with the income they receive, and their power of bearing it. The sources from

which the revenues of Great Britain were derived in 1913-14 are here set out:—

*Sources of Great Britain's Revenue—1913-14.*

	£
Customs .. .. .	35,450,000
Excise .. .. .	39,590,000
Estate, &c., Duties .. .. .	27,359,000
Stamps .. .. .	9,966,000
Land Tax .. .. .	700,000
House Duty .. .. .	2,000,000
Income Tax (including Super-Tax) .. .. .	47,249,000
Land Value Duties .. .. .	715,000
<b>Total Receipts from Taxes .. .. .</b>	<b>163,029,000</b>
Postal Service .. .. .	21,190,000
Telegraph Service .. .. .	3,080,000
Telephone Service .. .. .	6,530,000
Crown Lands .. .. .	530,000
Receipts from Suez Canal Shares and Sundry Loans	1,580,000
Miscellaneous .. .. .	2,304,000
<b>Total Receipts from non-Tax Revenue .. .. .</b>	<b>35,214,000</b>
<b>Grand Total .. .. .</b>	<b>198,243,000</b>

Prior to the present Great War the national income of Great Britain, which had doubled itself in about 30 years to some £2,400,000,000 a year, was growing rapidly, and seemed likely to double itself again in another generation, and the wealth of the nation was increasing at the rate of some £400,000,000 per annum, and was also in a fair way to increase another 100 per cent. in three decades, while the moral, mental, and physical condition of the British people was rising to a higher level in consequence of the much greater amount of attention paid to matters of health and of education than formerly.

Thus, when war broke out the income and wealth of the British people were much greater than they had ever before been either actually or in proportion to population. Since the War commenced the new savings of the British people have been applied to war, and consequently the wealth of the country has not increased; nevertheless, it has not diminished. It is true that the debt of Great Britain has been increased from £706,000,000 to about £1,300,000,000, and when the last War Loan is paid up it will be raised to about £1,900,000,000. But as all the new loans have been subscribed by the British people themselves, the creation of this debt has not diminished the wealth of the British nation. Had the money been raised abroad the matter would have presented an entirely different aspect. Then there would have been, so to speak, a mortgage upon the wealth. But as it is, the new debt is merely a loan from some of the British people to the whole nation, and the wealth of the entire nation is not reduced. The sums borrowed since war began are as follows:—

*Borrowings since Commencement of War.*

	£
$3\frac{1}{2}$ per Cent. War Loan .. .. .	350,000,000
Exchequer Bonds (net) .. .. .	26,000,000
Treasury Bills .. .. .	220,000,000
New War Loan .. .. .	600,000,000
<b>Total .. .. .</b>	<b>1,196,000,000</b>

About one-fourth of the new loan is unspent, and will provide all the money needed for the War for some time. Beyond the money raised by loan, substantial additions have been made to taxation. In November last the duty on tea was raised by 3d. per lb. to 8d. in all, giving an additional annual revenue of £3,200,000. The duty on beer was increased 17s. 3d. per barrel of 36 gallons, making 25s. in all, and yielding an additional revenue of £17,600,000; while the income tax was raised to a standard of 2s. 6d. in the £ graduated on unearned incomes, and the supertax to a maximum of 2s. 6d. in the £ graduated, producing an additional £56,000,000 compared with 1913-14. The maximum combined income tax and supertax on very large incomes is 5s. in the £, from which the rate is graduated down to a very

small figure on incomes of £161 a year. Thus, in all £77,000,000 of new taxation has been imposed. The estimated expenditure of the current year to next March and the revenue with which to meet it are as follows:—

	£
Revenue .. .. .	267,000,000
Expenditure apart from the War ..	154,000,000*
Balance .. .. .	113,000,000
War Expenses (official estimate)..	978,000,000
Deficit .. .. .	865,000,000

\* Excluding Army and Navy, but inclusive of about £30,000,000 of interest on War loans.

Of this deficit £600,000,000 has been covered by the new War Loan and £158,000,000 by Treasury bills, leaving about £100,000,000 still to be provided. Inasmuch as the expenditure to date is £534,000,000 the estimates are likely to be substantially surpassed, and the balance of the money needed will greatly exceed £100,000,000. The Chancellor of the Exchequer is expected to make a Supplementary Budget shortly, and to announce the methods he proposes to employ to cover the balance of the deficit. The expectation is general that he will impose a large amount of additional taxation.

Thus the great strength of the British financial situation will be evident. The debt so far incurred, including the new loan, is equal to less than one year's income, whereas the debt created in 1816 was equal to three years' income, and the taxes so far imposed on the British people are equal to less than 10 per cent. of their great income, whereas in 1816 the taxes were equal to nearly 25 per cent. of the small income they then enjoyed. Moreover, at present taxation is confined entirely to luxuries and comforts, and the whole of the supplies of necessary food, clothing, and raw materials are free of taxation.

In brief, it is evident that the British people, with the seas open to their commerce and with their income and their wealth undiminished by the War, are able to meet their great war expenditures, however long they may last.

GEORGE PAISH.

## THE WAR.

THE prospect everywhere as the week is drawing to a close is more satisfactory than it has been since the Germans began their great offensive movement in the Eastern theatre of operations. There were persons who had had experience of war who a little while ago were gravely disturbed because of the difficult position into which they supposed the Russian armies had been forced. We ourselves never entertained such apprehensions, though we never attempted to conceal from our readers that the advantages gained by the invader were great, and in the case of a less self-confident people than the Russians might have proved even decisive. But we bore in mind the character of the Russians, who always fight splendidly, but never so splendidly as when they are hardest pressed. We call to mind the steadiness with which the Russians retreated before the greatest of all modern soldiers; how at last they set fire to Moscow, and how the Napoleonic Empire in consequence perished. Neither did we forget that in the Manchurian war, though the Russians were defeated in every pitched battle, they never lost heart, but came up with as much confidence as before in every fresh engagement. Moreover, we looked upon the policy pursued by the Grand Duke as exceedingly wise and well adapted to the occasion. Therefore, we concluded that the triumph of the invader would be short-lived, and that Russia would recover from her disasters and overwhelm her enemy. This week the Russian armies, turning suddenly upon their pursuers, have inflicted serious defeats. Especially the Austro-German reverse in Galicia seems to have been an exceedingly heavy one. Near Grodno, again, the

Russians turned rapidly upon their pursuers and drove them back. These successes we do not in the least mean to paint as likely to have a very great influence upon the course of the struggle. But they are very welcome for two reasons. The first is that they confirm the expectation which we always entertained, that the Russian soldiers had not lost one iota of their courage and their determination to win. The second is that these successes are likely to have a considerable influence upon neighbouring neutrals who are hesitating what course to pursue. They must see that it is their interest as well as their duty to support Russia, but may, for all that, have been somewhat alarmed by the long-continued triumphs of the two Central European Powers. These two successes, though in themselves by no means decisive, still are calculated to make a very favourable impression. Moreover, it is to be recollected that the autumn rains are now due. Indeed, it is reported that they have begun. But even if the reports are premature they cannot be very long postponed, and once the rains become really heavy it will be extremely difficult for the Germans to keep themselves supplied with everything requisite for armies in the field. After the rains there will come the frosts and snows, and unless some great mistake is made by the Russian General Staff we take it that the Russians have now retired very nearly, if not quite, far enough; that they have taken up strong positions; and that with the winter coming on they will be able to hold their own and yet to pin the enemy to positions in which his men will die away like rotten sheep during the coming severe months.

The world has been somewhat surprised during the week by the removal of the Grand Duke Generalissimo from the command of the main armies in Russia and his despatch to command the armies in the Caucasus. Of course it was well known that the Grand Duke had been appointed only temporarily, since it was the intention of the Tsar, as soon as circumstances permitted, to take command of his armies. But it was not anticipated that the Grand Duke would be removed, and especially that he would be sent to the Caucasus. It would be unwise in the absence of all information to speak at all confidently as to the meaning of what has just happened. Some of the German newspapers, we note, are chuckling because they suppose that the removal is practically an easy way of disgracing the Grand Duke. We venture to think that this is only another instance of German misconception of foreign peoples. From first to last they have misunderstood all the countries which they have attacked. And we feel persuaded that they will discover that they are mistaken in the present case; that the Grand Duke is not in disgrace; and that very useful and valuable work is being found for him. We do not pretend to be in the secrets of the Russian Government, but it would seem natural that that Government should use its immense influence with the Balkan States to induce them to open the Dardanelles, a task which would contribute immensely to the early success of Russia. We have ourselves more than once expressed surprise that the Russians did not at the very beginning of the War throw such an army against Constantinople as would have opened the Dardanelles. Is it not just possible that the Grand Duke is chosen to command the army of the Caucasus because then he will be in a position not merely to use his influence as so successful a Russian general with the Balkan States, but also to render important service in the investment of Constantinople? In any case, we do not doubt that the Grand Duke is not dismissed, but that he is destined to play a very important part still in the War. Meantime a very few months will enable Russia to dispose of her invaders unless some grave mistake is made by the General Staff. We have frequently already reminded our readers that Russia is using all her efforts to

increase her supplies of munitions; that she is obtaining large additional supplies from outside, especially from this country, Japan, and the United States, and that, therefore, she is ceasing to be at so great a disadvantage as she was compared with the Germans. During the coming bad weather presumably the Germans will not be able to move their overwhelmingly great artillery. If they cannot, supplies will be poured in from every direction through Vladivostok, and, if the Dardanelles are opened, through the Straits likewise. In the stirring speech to the Trade Union Congress on Thursday Mr. Lloyd George made an impassioned appeal to the workers of this country to exert themselves even more strongly than they have yet done, so as, in the first place, to enable our own men to win soon, and, in the second place, to assist our Russian Allies in their gallant efforts to free their country from the invader. As a matter of course, one appeal will be responded to. The working-men do not fully understand the difficulty of the great Governments mainly because the Governments themselves hid the secret from the people. It is very easy for Mr. Lloyd George to blame the working-men. But the real blame belongs to the Government. If they had told the public at the beginning of the War how absolutely unprepared we were, and had appealed to the whole of the working-classes, there is not the slightest reason for doubt that they would have been answered as splendidly as they were answered when the authorities foolishly and ignorantly appealed to the skilled workmen of the country to leave the mines, the workshops, and the factories for the Front. We cannot too often repeat that the real blame lies with our public men and not with the workers. And we would warn Mr. Lloyd George that he would make much greater progress if he dropped his censuring and appealed to the patriotism and the common-sense of the people.

### THE OUTLOOK FOR GERMANY.

The War has lasted now nearly thirteen and a half months, and it must be admitted that the position of Germany and her allies is more favourable than most people expected when hostilities broke out. German troops occupy almost the whole of Belgium and the richest, most industrial, and most manufacturing departments of France; while in concert with those of Austria-Hungary they have compelled the Russians to evacuate Austrian and Russian Poland, and they are threatening Riga and Petrograd—some even allege Moscow likewise. It would be childish in the extreme to affect to deny these facts or to belittle them in any way. They prove that Germany had prepared with great skill during almost half a century; that she had calculated exactly the resistance which Belgium, France and Russia could offer to her if she gave them no time to make ready and struck hard and struck fast. But she miscalculated in many other respects, and especially she miscalculated her own capacity to seize Paris within three weeks, and then to finish with Russia before the winter came on. She knew that Russia was engaged in reorganising her army and was completely unprepared. Therefore, she assumed that Russia could lend no serious assistance to France, and that France would be overrun before anybody could help her. As a matter of fact, she has not gained an inch since she was stopped at the Marne. But we are told by those who seem to think it will help their own selfish and party purposes to frighten the British public, that France and England are stuck fast in the trenches just as the Germans are in opposition to them; that the Dardanelles are not opened, and probably will not be opened for a long time yet; and, lastly, that the Russians are so ill-provided with munitions that they do not dare to fight a decisive battle and, therefore, must continue to retire as the Germans advance. Now we have not the least intention to minimise what Germany has

done, or to magnify what has been accomplished by the *Entente* Allies. But we would invite our readers to consider with us what is the real position of Germany stripped of all fancy and all exaggeration.

The population of Germany five years ago was a little under 65 millions. The portion of the Press to which we refer objects that during the five years the population has largely increased. But how has it increased? The children born in that period are a cost to Germany, not a help in a great War. The time will come when they will repay all the cost. But for the present they are absolutely of no assistance to their country. In the five years boys who were under the military age have some passed and some reached that age. To that extent the fighting capacity of Germany is increased. But, on the other hand, the eligible population is older by five years than it was. Consequently, a very large number of old men have become useless for employment in the field. For all practical purposes, then, we may take the population as not very much larger than it was five years ago. There are more infants and more very old, but there are also more boys turned into men. It is stated by the militarist Press, who are always on the lookout for some means of strengthening their very weak arguments, that at the present time there are in round figures about two millions of Germans in the Eastern theatre of operations, and about as many more in the Western—say, roughly, four millions altogether. It is added that there are very young boys—for example, a class only just fifteen has just been called up. And the very old men are being called up likewise. It is possible, therefore, that there may be three millions of men of all kinds either in training or in reserve. That would make at the present time four millions at the Front and three millions in reserve, or seven millions altogether. We are told that during the thirteen and a half months of fighting the casualties of all kinds, according to German figures, have been somewhat over two millions. German statements are not to be depended upon when it is thought possible to gain anything by exaggeration or minimising. But let us assume that the casualties did not exceed two millions. We should have out of a population of 65 millions of people a total multitude called up for fighting of nine millions, or 13.8%—that is to say one in seven men, women and children. Does any reader of THE STATIST who is accustomed to observe and to think believe that this estimate of numbers is correct?

We may be told that a great number of casualties recover. Of course they do. But new casualties are occurring every day, and is it to be believed that the deaths and disablements by sickness, as distinct from fighting, are included in the two millions? Any reader who is old enough to remember the Crimean war, or who has recently carefully read any good history of that contest, will remember the terrible mortality which attended the long marches which the troops intended to relieve Sebastopol had to make. The actual deaths in battle were a mere bagatelle to what they have been in more recent wars. It was during the severe winter of 1854 that the British losses were heaviest, and that entirely through administrative blundering. And it was on the march to relieve Sebastopol that the real mortality occurred amongst the Russians. Granted that in this respect the railway has made a vast change, still we have to recollect the downpour of rain that continued all through last winter. Are we seriously asked to believe that the sickness and the mortality due to life in the trenches and to exposure of every kind is included in the two millions of casualties? It is always to be borne in mind that the loss to a nation through war is not disclosed by the mere list of dead. There are wounded who recover, but who are either maimed, or halt, or blind, or whose constitutions are irreparably injured. Similarly, there are illnesses not due to either bullet, or bayonet, or shell for that matter, that may

render a man perfectly useless for the remainder of his days. We feel perfectly confident, then, that the losses of the Germans during the past thirteen and a half months greatly exceed two millions, and that the population will not recover from the consequences for several generations. If the autumn rains soon begin, and then the winter proves as severe as it usually is, the sufferings of the invaders will be naturally greater than those of the natives, and the consequent losses to Germany will be enormously swelled.

There is another matter to be borne in mind, and it is that Germany up to the present time has benefited enormously from her occupation of Belgium and so much of France. It is to be recollected that, for its size and its population, Belgium was one of the richest countries in Europe; that since its erection into an independent State it had made wonderful economic progress; and that, therefore, the resources which Germany has been able to make use of were not simply Germany's own resources. They were the resources of Belgium likewise. Belgium by this time has been stripped pretty clean, while there has been little real production. As regards France, it is also to be borne in mind that the departments occupied by the Germans are amongst the very richest of the Republic; that they have been plundered without mercy; and that a very large part of the resources of which Germany has made such great display came from France. Requisitions have been levied in enormous amounts, and everything like cotton, and copper and other metals has likewise been taken. So has coal. Germany, therefore, has not displayed all the energy and all the resource simply from her own accumulations. They have been levied upon the two countries so much of which she has occupied. Therefore, Germany will be found to be vastly less wealthy than she is now supposed to be when she is driven out of Belgium and France; and that is a matter which ought to have been accomplished by this time if the several Governments, instead of calling out men they could not employ, had used all their efforts to increase the production of everything that was really necessary to end the War quickly. However, that is a matter of the past. For the present, every day's work in the munitions factories will shorten the time until the offensive can be taken both by ourselves and by our Allies in the Western and Eastern fields of operations alike.

### GERMAN FACT AND FANCY.

As a provider of "eyewash" for use at home and abroad the German Minister of Finance merits respectful admiration. It was lately his lot to ask the Reichstag for a fresh credit of £500,000,000 for the continuance of the War, raising the sum of Germany's war credit to £1,500,000,000. This he did in an exceedingly adroit and interesting speech, the effect of which is only marred by a glaring disregard for accuracy and a plentiful use of that kind of misrepresentation which consists in suppressing material facts. Some latitude may perhaps be allowed to a Finance Minister who is about to appeal to an impoverished people for another loan of unlimited amount, but since Dr. Helfferich's statements, if uncontradicted, might mislead neutral opinion, we feel bound to call attention to a few of his leading inaccuracies.

Perhaps the most notable example is the assertion that the manner in which it has raised money for the War shows unquestionable superiority on Germany's side over any of its opponents. This claim on the part of a nation which is about to offer a 5% loan at 99, as against our 4½% at par, is rather startling even at first sight, and the more one considers it the more startling it becomes. For Dr. Helfferich, seeing that, as it stands, it will hardly hold water, backs it up by the further assertion that in the case of our War Loan the rate was raised to over 5% by various

benefits, such as interest advantages, conversion rights, &c., given to subscribers ("die Anleihe mit weitgehenden Zinsjouissancen, Konversionsrechten usw. ausgestattet worden ist, die den wirklichen Zinsfuss auf mehr als 5 Prozent bringen"). This statement, as we need hardly point out, is simply untrue. The advantage in the payment of the full half-year's interest on December 1 worked out at about £1 3s. per cent., and the conversion right was priced in the market at about ½%, so that the net issue price was over 98, making the yield less than 4½%. And this, be it noted, is without making any allowance for income tax, which is now 2s. 6d. in the £, and so brings down the actual net yield to less than 4%, as compared with the full 5% paid by Germany. In other words, Germany pays over 1% more for its money than we do, and then its Finance Minister has the assurance to stand up in the Reichstag and proclaim its unquestionable superiority in the matter of finance. Such audacity can only be called sublime.

On the subject of the Reichsbank's position Dr. Helfferich is almost equally vainglorious. He observes that since the War began the Reichsbank has increased its holding of gold by more than £50,000,000, and that we have tried in vain to follow its example. The latter assertion, of course, is not true, for we know a better use for gold than amassing a heap of it and sitting on it. "The gold backing," he continues, "held by the Reichsbank against its total liabilities, which was, before the War, the same as the Bank of England's, and 9% less than the Bank of France's, is now 5.4% above France and 8% above England." We have not even troubled to check the Herr Doktor's figures, for the simple reason that they leave out a little fact that makes them quite worthless, even if true—namely, that Germany has suspended specie payments and we have not. Of course, anybody can pile up gold by going round the country appealing to patriots to pay it in, and then refusing to pay it out again. But to leave out such a consideration in comparing the position of two belligerent countries shows a disregard for veracity which seems to indicate that Germany's financial position must be much worse than it appears to be.

A similar conclusion is forced upon the critical reader by Dr. Helfferich's exposition on the German exchange. He says that the adverse movement in the foreign exchanges is due to the restriction of German exports and the locking up of German capital abroad. He leaves out altogether the fact that the action of our Fleet has not only restricted German exports, but has also curtailed its imports. Had it not done so, there can be no doubt that the depreciation in the value of German currency would have been even greater than it is, since German trade would have followed the same course as ours, and shown a large increase in imports and a large decrease in exports. From a military point of view, our successful blockade may have damaged Germany, and is at least likely to do so later on, as her stores of copper, nickel, rubber, &c., are exhausted; from an economic point of view we have helped her by refusing to allow her to import. In spite of the assistance that we have thus given her, the depreciation in German currency, as shown by the New York exchange, is much greater than the fall in the value of sterling, though this comparison is, of course, omitted by Dr. Helfferich, though he talks at large about our necessity for a loan in America.

Apart from these misstatements and suppressions of material facts, the German Minister of Finance gives several indications that his position is difficult and uncomfortable. He admits that it will be more difficult to stand the strain of the second year of war than of the first, and that more will have to be done to lighten the burden on the population and to guard against the threat of poverty and unemployment. He dare not tax. Every penny that he needs for war he

proposes to raise by borrowing, and he justifies this spendthrift policy by the plea that during the War he does not wish to add to the weight of the load that the people are carrying. He is going to have a War Profits tax some day, but not until after peace, on the ground that until the War is over it will not be possible to say what war profits have really been. This timidity in taxation, and the flimsy excuses given for it, are very practical comments on Dr. Helfferich's confident assertions of Germany's financial superiority.

It may be added that the *Vorwärts* is quoted in yesterday's *Morning Post* as pointing out that "after the War the service of the debt and that of the pensions will call for 2½ milliards at least—i.e., practically the total ordinary and extraordinary expenses of 1912. . . . To anyone who remembers the discussions to which the fiscal reforms of 1909 and 1908 gave rise, it is evident that we are rushing upon a veritable civil war."

### RUSSIA'S STAYING POWER.

ON Saturday of last week the Tsar addressed the Committee of Munitions, a body specially selected to push forward as energetically and as quickly as possible the supply of munitions for the army. The speech is worthy of the speaker and the occasion. The Russian Emperor reminds his people that he and they are determined, come what may, to fight this War out to a successful termination, and for this purpose that it is necessary to do what is humanly possible to supply the armies and navies with everything requisite, and more particularly with the most effective munitions. The Duma has given the Government power to do everything that may be required. The Government has called to its assistance experts of every kind on this Committee, and in welcoming them and exhorting them to lose no time, the Tsar is performing admirable work. We do not doubt that the Committee will do everything that lies within its power to carry out the wishes of the Tsar and his people; and that by and by, therefore, Russia will have manufactured all the munitions that are necessary. A section of the Press which seems more intent upon urging its own class and personal interests than doing what is needful for the great Alliance which is resisting a wicked, unprovoked and long meditated aggression, seem to wish their readers to believe that Germany has gained such a footing that it is extremely problematical whether she can be defeated by Russia. We leave those journals to their own conscience. But we invite our readers to consider with us what are the real facts. That they are exceedingly grave it would be foolish to deny. They have given extraordinary encouragement to the Germans. And they have inflicted serious reverses upon our Allies. It would be childish to attempt to deny all that. Practically Austrian and Russian Poland have been cleared of Russians, and the enemy is still following up his successes, and apparently is intent upon driving the Russian armies further back. It looks, for example, as if he is preparing to spring upon Riga. His attempt by sea upon that city was gallantly defeated. He is now seemingly endeavouring to reach the place by land. Whether he will succeed in doing so we have no means of judging, for we are not aware either of his plans or those of the Russians. Should he succeed in compelling our Allies to evacuate Riga, it is said that he will even march upon Petrograd. And it is assumed that rather than risk a decisive battle the capital also will be evacuated. It would be foolish to deny that the occupation even of Riga would be a severe blow to our Ally. But the Government and people of Russia have shown that they are above false shame; and that they understand that their main duty is to avoid a decisive battle until their men are fully supplied with all the munitions that will enable them to win. Consequently, we take for granted that if circumstances

counsel a retreat even from Petrograd no false shame will prevent them from making the sacrifice.

As for other directions there can be no doubt that the Russians will order their strategy in a manner that will best serve the interests of the Empire. Meanwhile, it is to be recollected that the autumn rains are now almost due, and that they will make marching very difficult; while, so far as the movement of great artillery is concerned, we would recommend our readers to consult some of the pictures that are now being published of the immense guns which the Germans have in the field, and the consequent difficulty of moving them. At the very outside, there remain only three months for the Germans to complete their task, which is to compel the Russians to fight a decisive battle or else to corner them in such a way that a large part of their forces must surrender. It will be strange indeed if the Russian military authorities—knowing so thoroughly that time is on their side, and that in a very few months the Germans will find themselves in the greatest difficulties—allow themselves to be inveigled. Meanwhile, the Russian Government is diligently employed in doing everything to increase the outturn of munitions. The Russian Government is not to be blamed for the difficulty in which it finds itself. Our own Government ought to have known when it called out millions of men that an immense increase in munitions was indispensable. But the Russian Government was in a very different position from that in which our Government found itself. In the Manchurian war, and the revolutionary movements that followed at home, serious deficiencies were discovered in the army, while the ocean-going fleet had been practically annihilated. Therefore, Russia had to completely reconstruct both army and navy. It was very diligently engaged in the task, and it had proceeded so far in the spring of 1914 that it announced that it would hold a test mobilisation in the autumn of that year. It will be seen that the Russian Government did not shrink from proclaiming to all the world that its scheme of reorganisation was so far from being completed that it required a great autumn mobilisation to assure itself that it had proceeded so far upon the right lines. Moreover, it will be seen that it is quite probable that it had not completely determined upon the artillery it would employ in the future. It had been so intent in completely reorganising the army that possibly it had not given much consideration to the type of gun that was most suitable. As a matter of course, the German Government was very largely influenced in forcing on the War in July of last year by the knowledge given by the Russian Government itself that that Government was not prepared. No doubt since the War began the Russian Government has done what it could to supply omissions. And Russia, it is to be recollected, has of late been making great strides in manufacturing. Now the Russian Government finds that it is so behind-hand that an extraordinary effort must be made. Therefore, the new Committee has been called into existence, and the Emperor himself has addressed it urging it to lose no time in supplying the army. We may be very sure, therefore, that everything that is humanly possible will be done, and that increased supplies will be poured out from this time forward.

Moreover, as we stated last week, Japan is likewise forwarding to Russia large supplies. The Japanese Army was in no need of reorganisation at the end of the Manchurian war. Therefore, the Japanese Government was free to vote whatever money and labour it thought necessary to make good its supplies of munitions of all kinds. Apparently, it has turned out so much that it is able to spare a good deal for Russia, and we make no doubt that the latter country has likewise contracted with private manufacturers in Japan, and that, therefore, it is

being supplied by Japan to the fullest extent possible. We assume, furthermore, that Russia is buying freely in the United States, where, as our readers know, there is a great manufacture to draw upon. In every way, then, Russia is hurrying forward supplies and, therefore, she can look forward to the future with confidence. There are two or three trying months before her during which we feel confident she will know how to avoid gratifying the invader by engaging in a decisive battle. After that time the weather will be entirely in her favour. And it will be something little short of a miracle if the German and Austrian armies are able to escape the entanglements in which they have involved themselves.

### WABASH RAILROAD.

ACCORDING to an announcement made this week by the Joint Reorganisation Committee of the Wabash Railroad, the response of the stockholders to the reorganisation plan, with which we dealt at length in our issue of May 15 last, has been poor. It will be remembered the cash required to carry out the reorganisation scheme was \$27,720,000, which it was proposed to raise by an assessment of \$30 a share, payable by the Preferred and Common stockholders. In the event, however, of this sum not being forthcoming from the stockholders the onus to provide the necessary money fell upon the holders of the First Refunding and Extensions Mortgage bonds, and, failing them, an underwriting syndicate, headed by Messrs. Kuhn, Loeb and Company, agreed to find the requisite amount. It now appears the stockholders have paid only \$1,136,000, or about 4%, of the sum needed, thus leaving \$26,584,000, or 96%, to be found by the bondholders or by the underwriters. The latter, however, are not expected to be called upon to any extent, for it was stated recently that about 95% of the bondholders had deposited under the plan, and by so doing had agreed to provide the balance of the money not paid up by the stockholders. In return for this the bondholders are to receive the various classes of stock to which the stockholders would have been entitled had they paid the assessments due from them. The relative failure of the stockholders to participate in the plan comes as no surprise, for to them the transaction was unprofitable, inasmuch as upon paying the \$30 per share assessment they would have received stocks purchasable at lower prices in the market. This means, therefore, that holders of only about \$4,530,000 of the combined Preferred and Common stocks have joined in the scheme, and that the holders of the balance of nearly \$88,000,000 have ceased to have any further interest in the undertaking. Had no stockholder paid his assessment the bondholders would have been required to pay a sum of \$683 per \$1,000 bond, and to surrender existing bondholdings, in return for which they would have received securities of the new Company and a cash bonus of an aggregate market value of \$710, thus giving an underwriting profit of \$27, or 2½%. In view of the partial participation of the stockholders in the scheme the obligation of the bondholders is, consequently, reduced to \$654, but in the absence of data it is impossible as yet to calculate the market value of the securities and cash bondholders will now receive, but it is likely the transaction will still prove a profitable one. For the new securities the latest quotations available from New York are 41½ for the Profit-sharing Preferred "A" stock, 22 for the Convertible Preferred "B" stock, and 11½ for the Common. The New York price of the 4% bonds to be surrendered is about 17½, while the existing Preferred and Common stocks are practically valueless. With the payment of the balance of the assessment money by the bondholders the way will have been paved for rendering effective the reorganisation of the undertaking, which it is hoped will mark the end of the long period of adversity through which the Wabash has been passing.

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## Financial Notes.

THE vote of the Trades Union Congress this week has, we hope, put an end to the very mischievous agitation in favour of conscription. The Congress was unanimous in condemning the agitation, and in declaring its own intention to do everything possible to defeat a proposal for introducing conscription should the Government be so unwise as to yield to the agitators. Bearing in mind that the Congress represents three millions of trades unionists, it is incredible that Parliament will attempt to carry such a measure in the face of almost universal working-class opposition; for on this matter we may rest assured that non-unionists are quite at one with the unionists. It is not a time to introduce disunion amongst us. The working classes have proved by their splendid action since the War began that they are as determined as any class in the community to put down Prussian militarism and to maintain the independence of the small States of Europe.

It is hardly necessary to point out that on this matter the Irish Nationalists are at least as determined as the trades unionists; while a very large proportion of the Liberal Party, if not practically the whole of it, is also opposed. It seems safe, therefore, to conclude that the Government will not deliberately provoke an opposition which would be sufficient to unseat it in the middle of so desperate a war when the country is doing everything that is necessary to put down the aggressor. Our duty is, all of us, to do what we can to defeat the two Central European Empires. For that purpose it is necessary that we should remain thoroughly united, and work with one will for the first great object of defeating an unscrupulous, immoral, and criminal enemy.

While it is satisfactory that there is less falling off in the exports recorded in the Board of Trade returns for last month than most people anticipated, we regret to have to notice that too little is being done to maintain the trade of the country. What we really require is a much greater trade than in peace time. We are carrying on the costliest war the world has ever known, and we are carrying it on with a waste and extravagance that is alarming to all who understand anything of economics. If we are to meet all our engagements promptly, to maintain at its full height the credit of the Imperial Government, and to do all this while striking down the audacious aggressor who has brought the calamity upon us, we must increase our trade.

In the beginning there was the excuse, firstly, that all the enemy's commerce-destroyers must be got rid of; secondly, that the enemy's fleets should be either destroyed or bottled up in their ports; thirdly, that everything necessary should be done to abate the nuisance of the enemy's submarines; and, fourthly, that the more urgent matters connected with trade should be put in order. But now it is essential that

trade proper should be promoted in every way. It is not enough that bankers, acceptors of bills, insurance companies, the Stock Exchange, and so on, should be guaranteed against a complete breakdown. What we want is careful organisation for pushing trade in every direction. There is a great opportunity for this country, and it is extremely disappointing to find that in a country which boasts of being the first trading country in the world there are not brains enough to meet the occasion and give the wished-for impetus to our productive manufacture, and, consequently, to our exports.

### CUBAN RAILWAYS.

TWELVE months ago, soon after war broke out, it was obvious that the Island of Cuba was in for a good time. With continental beet supplies entirely cut off the demand for cane sugar of all descriptions became exceedingly great and prices mounted up to a high level. As the Cuban crop was a good one the wealth of planters and others has been enormously increased, and the island is enjoying a period of great prosperity. This is fully reflected in the traffic results of the railway companies, whose earnings to date are far in excess of what we anticipated twelve months ago. For the year to June last the traffic receipts of the united railways of the Havana showed an increase of nearly £107,000, although in the middle of January there was a decrease of nearly £67,000. In the 22 weeks, therefore, the Company added no less than £174,000 to its traffic receipts, an increase averaging about £8,000 a week. Since the beginning of July there has been a further improvement of over £41,000, and as comparison will continue to be made with poor takes a year ago, the Company is likely to do exceedingly well in the current year. It will, therefore, have no difficulty in maintaining dividends at 5%, and with the price of stock at 73 the return to the investor, allowing for accrued dividend, is as much as  $47\frac{1}{4}$  per cent. The stock is certainly attractive at the price. Owing to a poor tobacco crop the Western Railway of Havana is not doing so well, and in the nine weeks to the beginning of September there is a decrease in earnings of £6,729. For the year to June last there was, however, a slight improvement in receipts, and there is little doubt that the Company will be able to maintain the 7% dividend distributed since 1903-04. The Cuban Central Company is also doing very much better than we anticipated, and with an increase of £64,000 in gross takings for the past year should be able to materially increase its rate of distribution. Twelve months ago the dividend was only 2%, although nearly 4% was earned, and as the profit in the past year may have been equal to a dividend of between 7% and 8%, possibly 4% may be distributed. The price of the £10 shares is only  $5\frac{1}{2}$ , and at the figure they are well worth attention. The Cuba Railroad Company is paying dividends of 6% on its Common stock, whilst earning 10%, and as the net receipts for the past year show an improvement of \$257,000, or over 10% compared with 1913-14, the maintenance of the 6% distribution is assured.



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## American Topics.

### AMERICA'S LENDING POWER.

THE financial strength of the United States has never been greater than it is to-day, and although the War in Europe has practically stopped immigration, and has thus diminished the rate at which the country's productive power usually expands, the rate of growth is still substantial. Moreover, the diminution in the rate at which the home capital is accumulating is largely made good by the investment of new capital abroad and by the redemption of America's debt to other nations. It is, indeed, probable that before the War is over the United States will owe nothing to Europe, and that the annuity it has hitherto paid upon foreign capital it has employed will be completely liquidated. Whether or not this redemption of America's debt to other countries results from the repurchase of American securities now held abroad, or from loans of American capital to other nations is immaterial, for both transactions have the same effect. In the one case America has not to pay any interest whatever upon foreign capital, and in the other the interest she does pay is offset by the interest she receives from abroad. Furthermore, much of the capital the United States has borrowed from foreign nations has been secured on very easy terms. For instance, the Pennsylvania, the New York Central, the Illinois Central, and other corporations have placed bonds abroad on a  $3\frac{1}{2}$ % interest basis, whereas at the present time United States investors have the opportunity of buying back American securities or of making loans to foreign countries at a much higher

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rate of interest than this, after taking into account the relative safety of the investments. Thus a given amount of American capital placed abroad at the present time will provide an annual income sufficient to pay interest upon a much greater amount of foreign capital employed in the United States. Moreover, whether or not America pays off the whole of its indebtedness to Europe, either by repurchases of its own securities or by making loans to other nations, is a matter which the American people themselves control. When one considers the size of their crops and the extent of their manufacturing capacity, no one can doubt the ability of the States to place abroad a very large amount of capital in the current season in redemption of the capital which other nations have placed in the United States, and it is quite possible that in the current fiscal year to June next a large part of the American indebtedness to Europe will be liquidated by the purchase of securities, or will be offset by the purchase of foreign securities by American bankers and investors. Indeed, every factor in the situation seems to favour the export of a great amount of American capital this season—abundant crops, great manufacturing capacity, a relatively slack home trade, and a great demand for American products. Moreover, it is obvious that America does not need to import gold in payment for the produce it is exporting. The stock of gold in the United States has for many years been enormous, but it has not been available for use because of the former anomalous banking laws, which compelled bankers to hold vast amounts of idle money. But the passage of the Federal Reserve Act has remedied this situation, and bankers at the present time possess a huge quantity of gold and of currency over and above what the country needs either for banking or for currency purposes. Indeed, instead of importing gold in payment for her produce, America is in a position to export a large amount of gold in payment for securities. Hence, beyond the great amount of capital that America can invest abroad through the export of foodstuffs and manufacturing goods, additional amounts of securities could be purchased by means of the surplus stock of gold. Of course, at a time such as this it is improbable that American bankers will desire to export gold. At the same time, it is obvious they do not need to import gold in payment for the country's great exports. That we have not exaggerated the extraordinarily favourable banking position of America at the present time will be evident from the following statement recently made by Mr. John Skelton Williams, the Comptroller of the American currency, who, by virtue of his office, is responsible for the financial soundness of every National Bank in the country. Mr. Williams stated:—

"In view of the large demands which the National Banks in this country may, in the not distant future, be required to meet in supplying the seasonal and ordinary, as well as the extraordinary, calls ahead of them, a brief statement concerning the present condition and resources of our National Banks and of the Federal Reserve Banks will be instructive, and will prove distinctly reassuring.

"The special requirements above referred to are:

"First. The yearly recurring demand for funds with which to move the crops, which this year, except as to cotton, are unusually large and commanding full prices.

"Second. The unusual calls for funds which may arise to enable cotton growers to meet any congestion in the movement or marketing of the crop, in the event that cotton should be declared contraband.

"Third. The demands which are likely to be made upon the National Banks, both directly and indirectly, in connection with the extension of credit to foreign purchasers of supplies of all kinds, and to pay for the

American securities which may be returned to us by foreign creditors.

"The actual figures show that the present condition of the National Banks of this country, and their ability to meet any legitimate demands which may be made upon them, is unsurpassed. They have never before been so strong and so thoroughly prepared to grapple with and handle successfully any problem, however large, which may be presented to them as they are to-day. These figures show that the National Banks of this country and the twelve Federal Reserve Banks, exclusive of the State banks and trust companies, have at this time an unemployed loaning capacity sufficient to enable them, if need be, to carry for our own people at market value the entire cotton crop and half, if not the whole, of the wheat crop and the tobacco crop (which it is not, of course, conceivable that they will be asked to do), and also finance, until the purchasers can pay us in gold or its equivalent, a thousand million dollars or so of exports of foodstuffs or manufactured products to be shipped to the rest of the world.

"It is far better for the banks to employ their surplus funds in making loans on staple commodities where they can relieve congestion or promote legitimate commercial transactions, rather than permit these funds to be used for the inflation of the Stock markets, where speculation in securities has already reached a point which invites caution.

"The Abstract of Condition of National Banks as of June 23, 1915, just completed, shows that notwithstanding the great reduction in reserve requirements which went into effect with the inauguration of the Federal Reserve System in November last, the actual reserves of the National Banks on June 23, 1915, are far in excess of the largest reserves ever held at any one time in the past history of the country, and amounted to 1,840 million dollars, or 778 million dollars more than the amount which the National Banks are required to hold.

"This surplus reserve, it is estimated, is sufficient to justify, on a conservative basis, an expansion of credit or a further loaning power of, say, two or three billion dollars. The present total loans by all the National Banks amount to about six and two-thirds billion dollars. A year ago, or on June 30, 1914, the surplus reserve of the National Banks was only \$41,000,000; so that the increase over the surplus reserve shown a year ago is \$737,000,000. On October 31, 1914, according to the last statement made by the National Banks under the old reserve requirements, the surplus reserve of all the National Banks in the country had been reduced to only \$8,000,000. On December 31, 1914, principally as a result of the reduced reserve requirements, the surplus reserve had increased to \$549,000,000. It is now seen that the surplus reserve of National Banks, since the first of the present calendar year, shows an increase of approximately \$230,000,000.

"The total reserve of the National Banks now exceeds by \$319,000,000 the greatest reserve ever held by the National Banks at any time prior to the passage of the Federal Reserve Act.

"The specie held by the National Banks and the Federal Reserve Banks amounts to close to one thousand million dollars. The specie in the National Banks increased between May 1, 1915, and June 23, 1915, \$71,000,000.

"The surplus, or excess, reserve now held by the National Banks over and above the amount they are required to hold, amounts to nearly as much as the total reserve of all National Banks as late as 1903.

"The reports of the Federal Reserve Banks at this time show that the total amount of bills discounted and acceptances held by these banks amount to approximately \$40,000,000, while the supply of gold which the Federal Reserve Banks have now on hand is sufficient to give these banks a further loaning capacity, if the occasion called for it, of more than

\$630,000,000 additional, provided they should utilise their note issuing powers to the maximum.

In view of the enormous resources of our National Banks and of our Federal Reserve Banks, and of their unprecedented reserves, it may be interesting to consider to what extent our National Banks have had occasion to borrow money by direct loans in past years for crop moving and other purposes.

"The sworn statements of the National Banks show that the maximum amount of money which these banks have ever borrowed at the times of their reports to the Comptroller of the Currency, on bills payable and rediscounts, was \$162,617,000. This amount the National Banks of the country were borrowing on October 31, 1914. Prior to August 27, 1907, the total borrowings of the National Banks, according to these statements, had never exceeded \$50,000,000. On August 27, 1907, the direct borrowings of the National Banks amounted to \$59,176,000. These bills payable and rediscounts increased as a result of the panic of 1907 to \$100,955,000 on December 31, 1907. The hundred million mark was not reached again until August 9, 1913, when the direct borrowings of these banks were reported at \$109,106,000.

"Against their maximum direct borrowings in the past of \$162,617,000, the reports of the National Banks as of June 23, 1915, show that they had on hand on that date paper eligible for rediscount with the Federal Reserve Banks amounting to 1,639 million dollars, which is more than 10 times the maximum amount which the National Banks of the country, according to their sworn statements to the Comptroller of the Currency, have ever heretofore had occasion to borrow on their bills payable or by rediscounts.

"The soundness of our new banking and currency system and its ability to meet successfully even the most trying emergencies have been demonstrated. We also have confidence that it will be equally able to cope with and control inflation growing out of prosperity. It behoves the National Banks, and the Department of the Government charged with their supervision, to exercise, under present circumstances, the utmost vigilance and a wholesome restraint, lest over-confidence and unwise expansion or speculation may check the prosperity which now seems so likely to increase and endure."

## SEABOARD AIR LINE RAILWAY.

### NEW FINANCIAL PLAN.

THE complete change in the conditions surrounding the Investment market that has arisen from the War is naturally having its effect upon the market for American railway securities. Many American railroads in past years have authorised the creation of large lines of mortgage bonds for refunding purposes and for various extensions and improvements and other capital requirements, and in a large number of cases the mortgage deeds have provided for a fixed rate of interest—say of 4%—which in normal circumstances would have enabled the issue of bonds round about par when additional capital was required. Now that the first-class Powers are disposing of securities on a relatively high interest basis, it is no longer possible for American railways in need of new money to dispose of 4% or even 5% bonds except at considerable discount. Consequently new methods of financing have had to be adopted. The latest addition to the ranks of companies raising money at a high interest rate is the Seaboard Air Line Railway, the directors of which have drawn up a comprehensive financial plan, which has been received with favour. So far only the broad general outline of the plan has been announced, the Finance Committee of the railway still being engaged upon details.

Briefly, under the proposed plan \$300,000,000 of First and Refunding Consolidated Mortgage bonds will be created, which will bear such rates of interest as the investment conditions demand at the time each issue is made, and will also mature at various dates. It is proposed to consolidate the existing Seaboard Air Line Railway with the Carolina, Atlantic and Western Railway under the corporate name of the Seaboard Air Line Railway Company. The line to be merged into the Seaboard is a recent consolidation of several small undertakings, operating in all 416 miles of road, and at the present time the whole of its capital stock is owned by the Seaboard Railway, which guarantees certain of its bond issues. Over the lines of this subsidiary the Seaboard has recently secured access to the port of Charleston, where terminals have been constructed admirable both as to location and facilities. Through entry into Charleston the Seaboard is placed in a position to secure coal traffic for the port from the important Clinchfield coalfield in Virginia through traffic relations with the Carolina, Clinchfield and Ohio Railway. The building of a line to the coast at this point is a matter of considerable value to the Seaboard, for it would appear, from the great developments that have recently taken place there, that this port is destined to rank among the important shipping centres on the Atlantic coast. It is now proposed to continue the line from Charleston to Savannah by the immediate construction of 85 miles of road with a maximum grade of only three-tenths of 1%, which new line will also become part of the main line of the consolidated system. This will give the new undertaking a second line from Hamlet, N.C., to Savannah, Ga., the grade of which will be very much lower than in the case of the existing line between those two cities via Columbia. This second main line will thus reach three important seaports—Georgetown, Charleston, and Savannah—will tap a rich and fertile territory highly productive in cotton and tobacco, will admit of the Company's running time to the South being shortened, and will create a line with a maximum grade of only one-half of 1%, compared with 1½%, which is the maximum grade of the present line to Savannah. Further, by means of this new low-grade line distinct economies in operating the traffic should become feasible, for, in the opinion of the board, there will be rendered possible an increase of as much as 127½% in the full train load. Thus in effect the Seaboard will shortly possess two main lines between Hamlet and Savannah, each self-supporting in its own territory, and the necessity for double-tracking the Hamlet-Columbia line, where traffic is becoming congested, will be avoided. The territory to be opened up by the construction of the additional mileage between Charleston and Savannah is stated to be generally well adapted to the growing of vegetables, corn, rice, and Sea Island cotton.

The new mortgage of \$300,000,000 will be immediately a first lien on the 500 miles of new line—416 miles already constructed and 85 miles to be built at once—and will be secured indirectly on the old mileage by deposit of a majority of the outstanding 4% Refunding Mortgage bonds and all future issues under that mortgage. In this way the Seaboard has solved the difficulty of being tied down with a fixed 4% interest rate on its only open mortgage, and the new First and Consolidated Mortgage will, as it were, replace the existing Refunding Mortgage. The first issue under the new Mortgage consists of \$25,643,000 of Series "A" bonds, which will bear 6% interest and will mature in 30 years. Of this amount \$2,750,000 has been retained for exchange for underlying bonds of constituent companies, and the balance has already been disposed of to a powerful banking syndicate. Out of the proceeds of this sale of \$22,893,000 funds are provided for building the new extension of 85 miles, for the retirement of all Equipment Trust obligations

falling due during the fiscal year to June 1916, for the retirement of the \$6,000,000 of Short-term 5% Notes due March next, for the acquisition of certain new property and for other improvements and betterments, &c.

As a result of this policy the railway's financial requirements will have been provided for years to come by creating a physical railroad structure in the enlarged Seaboard system of much benefit to the South and to the railroad, and, at the same time, securing greater economies in operation; further, by the creation of the mortgage a security will have been provided meeting investors' requirements and ensuring to the railroad the best results under changing financial conditions.

Another feature of the plan relates to action to be taken with regard to the capital stocks. The Preferred stock of the existing Company is entitled to a dividend limited to 4% until a similar distribution

siderable that provision must be made for future development.

The economic storm which has swept over the Southern States during the past twelve or thirteen months has meant considerable reduction in business, earnings and profits, the decline in gross earnings for the year to June last having been 16½% and in net earnings 18½%. Nevertheless, not only were interest charges fully covered, but there was a surplus of about \$360,000 after paying the full 5% interest on the Adjustment bonds. This was equal to a dividend of 1½% on the Preferred stock, upon which four quarterly distributions of 1% were made during the fiscal year 1913-14. No dividend was paid on this stock in the past year. To show the development of earnings and the great improvement in the profits of the undertaking to June 1914, and the set-back that has since occurred, we present the Income Statement herewith.

#### Income Statement of the Seaboard Air Line Railway.

Year to June 30	Aver. Miles.	Gross Earnings. \$	Operating Expenses. \$	Ratio.	Net Earnings. \$	Misc. Income. \$	Net Income. \$	Int. & Other Taxes. Charges. \$	Balance. \$	Int. on 5% Bonds. \$	Income Net Profit. \$	Div. on 4% Prefd. \$	Surplus. \$
1915*	3,110	21,280,000	14,923,000	70-12	6,358,000	470,000	6,828,000	1,062,000	4,156,000	1,610,000	5 1,250,000	360,000	Nil — 360,000
1914...	3,084	25,425,000	17,465,000	68-68	7,960,000	299,000	8,259,000	999,000	4,336,000	2,924,000	5 1,250,000	1,674,000	4 956,000 718,000
1913...	3,074	24,653,000	16,877,000	68-46	7,776,000	220,000	7,996,000	956,000	4,054,000	2,986,000	5 1,250,000	1,736,000	Nil — 1,736,000
1912...	3,059	23,057,000	16,438,000	71-29	6,619,000	183,000	6,802,000	917,000	3,822,000	2,063,000	5 1,250,000	813,000	Nil — 813,000
1911...	3,037	21,893,000	14,602,000	66-69	7,291,000	146,000	7,437,000	818,000	3,662,000	2,957,000	5 1,249,000	1,708,000	Nil — 1,708,000
1910...	2,997	20,177,000	13,297,000	65-90	6,880,000	127,000	7,007,000	748,000	3,689,000	2,568,000	3½ 833,000	1,735,000	Nil — 1,735,000
1909...	2,993	17,721,000	12,318,000	69-50	5,403,000	110,000	5,513,000	695,000	4,384,000	436,000	— —	436,000	Nil — 436,000
1908...	2,998	16,848,000	12,938,000	76-83	3,910,000	80,000	3,990,000	661,000	4,240,000	911,000†	— —	911,000†	Nil — 911,000†

\* Approximate.

† Deficit.

is forthcoming on the Common stock, the Preferred then having claim to an additional 2% and the Common to any surplus remaining. It is now proposed to exchange the existing \$23,894,000 of Preferred and \$37,019,000 of Common into Preferred and Common stocks of the new consolidated undertaking. Whereas the Common stockholders will receive par for par, the Preferred stockholders will receive a new Preferred stock entitled to 6% dividends in preference to the Common, but in consideration of the new terms as to dividends holders of the old Preferred will receive a smaller amount of new Preferred than now held. In this way the directors will be making provision for meeting capital requirements by the issue of Preferred stock when thought desirable at a subsequent date—that is to say, when the anticipated development of the Company's earnings and profits shall have materialised.

The Seaboard, after its reorganisation without foreclosure a few years ago, made distinctly satisfactory progress up to the time the War had its effects upon the Southern States of America. Between 1908 and 1914 the average mileage operated was increased less than 3%, but at the same time gross earnings expanded over 50%, from \$16,848,000 to \$25,425,000, while by the introduction of economies of operation, resulting in savings in operating expenses, the net earnings were more than doubled in the period, having risen from \$3,910,000 to \$7,960,000. Further, whereas in 1907-08 the net income was \$911,000 short of the sum needed to pay full interest charges, for 1913-14 there was a surplus of \$2,924,000 beyond all interest charges, and even after providing for interest on the 5% Adjustment bonds there was a balance of \$1,674,000. It is scarcely to be wondered, therefore, in face of the great growth in business thus indicated, that congestion occurred on those portions of the system where the density of traffic was greatest, and that twelve months ago it looked as if a large amount of capital would have to be expended for double tracking, extending facilities, &c. The outbreak of war so changed the economic situation in the Southern States that a set-back in earnings and profits was inevitable. It is recognised, however, that this state of things is only of a relatively temporary character, and that after a short time the amount of business the Railway will be called upon to handle will be so con-

So far as the current year is concerned the outlook is for decidedly better conditions than prevailed in the twelve months to June last, partly by reason of comparison being made in the coming months with the very poor results of last year, and partly because of the better crops, while the position in the cotton-growing industry is much better than a year ago. The price of cotton of late has shown an upward tendency, due to the relatively small surplus remaining from last year's crop and to the prospects of a considerable diminution in the coming crop. Cotton-growers may therefore probably derive benefit from the recovery in the quotation. Recently the President of the road reported that all crops in the territory traversed by the Company's lines were in fine condition, and that the indications were for a material increase in the gross earnings of the system this fiscal year.

Chief interest in the undertaking on this side lies in the Adjustment Mortgage Income bonds, which are entitled to 5% cumulative dividends ahead of the Preferred stock. These bonds are now quoted in London at 65, at which they afford a return of as much as £8 6s. 8d. per cent., allowing for the difference in exchange but ignoring redemption at par in 1949. Having regard to the brighter outlook for business this year, and to the improved results anticipated to accrue from the adoption of the important expansion policy we have outlined, it would appear that the interest on the Income bonds may be looked for regularly.

## CENTRAL URUGUAY EXTENSION RAILWAYS.

### THE NORTHERN EXTENSION COMPANY.

THE Extension Companies of the Central Uruguay Railway have felt the full force of the trade reaction in the past twelve months, and heavy losses in traffic receipts have resulted. Owing, however, to the working agreements with the Central Company and the guarantee arrangements with the Government, the shareholders are not likely to suffer to the same extent as those of the parent undertaking, whose dividends depend entirely upon working results. Indeed, fairly substantial distributions are likely to be forthcoming, notwithstanding the severity of crisis through which the country has been passing. The traffic receipts

of the Northern Extension is shown a decline of £31,300, or 25%, and the total at £90,300 is the smallest obtained since 1908-9, and compares with £147,143 secured two years ago, when the line was enjoying unexampled prosperity. By the working agreement with the Central Railway the net revenue retained by the Extension Companies is based on a sliding scale percentage of gross receipts varying from 40% to 55%, according to the weekly results, the working Company taking the balance to meet expenses. The proportion due to the Northern Extension in respect of the past year will represent 45% of the gross receipts, as against 48.85% in 1913-14, and consequently the total net earnings will amount to approximately £41,000, as compared with £59,000. This loss of revenue will, however, be partially made good by the Government guarantee, which automatically increases as earnings decline. A loss of £18,000 in net earnings may be attended by an addition of something like £11,000 to the guarantee, and the total net income at £70,000 may show a diminution of little more than £7,000 as compared with 1913-14. As interest and other charges will probably be the same as in the previous year, the profit for dividend will be reduced from £42,000 to about £35,000, a sum equal to a dividend of 3½% on the Ordinary shares. An interim dividend at the rate of 4% per annum has already been paid, and the final distribution may, therefore, be at the rate of 3½% per annum, as against 4%. It is possible, of course, that the directors may decide to pay a slightly higher dividend than 3½% for the year by drawing upon the exceptionally large balance of £4,600 brought forward from 1913-14; and as it requires only £9,500 to pay 1% on the shares, an additional ¼%, making 3¾% for the year, could easily be distributed out of this undivided surplus. Much will depend on the outlook when the matter is under consideration, and as at the moment the prospects are very encouraging, shareholders may expect quite liberal treatment a few weeks hence, when the declaration will be made. That the Company will have no difficulty in paying at least 3½% for the year, and possibly ¼% more out of the balance brought forward, will be apparent from the Income Statement appended:—

*Central Uruguay Northern Extension.*

	1914-15*	1913-14	1912-13	1911-12	1910-11
Gross receipts ...	£ 90,300	121,572	147,143	122,361	106,455
Expenses per agreement ...	41,000	62,182	71,612	62,611	55,889
Ratio ...	(55.00)	(51.15)	(48.67)	(51.17)	(52.00)
Net earnings ...	41,000	59,390	75,531	59,750	50,566
Govt. guarantee, &c. ...	29,000	18,500	4,587	17,080	24,747
Total income ...	70,000	77,890	80,118	76,830	75,313
Debt interest ...	31,000	31,357	31,357	31,358	31,358
Miscellaneous ...	1,000	4,095	2,513	1,017	1,370
Total charges ...	35,000	35,452	33,870	32,375	32,728
Net profit ...	35,000	42,438	46,248	44,455	42,585
Dividend ordinary ...	35,000	38,792	45,969	46,042	41,260
Rate per cent. ...	4.00	(4.0)	(4.0)	(4.0)	(4.0)
Balance ...	...	Cr. 5,096	Cr. 279	Dr. 1,587	Cr. 1,325
Brought forward ...	4,600	1,072	793	2,380	1,055
Carried forward ...	4,600	4,578	1,072	793	2,380

\* Estimated.

The highest dividend paid by the Company in recent years is 4½ per cent. distributed in 1911-12 and again in 1912-13, and the fact that it will be able to distribute at least 3½ per cent., and possibly 3¾ per cent., in a period of such financial and economic difficulties as have been experienced in the past twelve months clearly demonstrates the stability of the undertaking under its present working and guarantee agreements. The dividend record of the Company for a number of years is set out beneath:—

*Central Uruguay Northern Extension.*

	1914-15	'13-14	'12-13	'11-12	'10-11	'09-10	'08-09	'07-08	'06-07	'05-06	'04-05
Dec. half	4	4	4½	4½	4½	4½	4½	4	4	4	4
June half	3½	4	5½	5	4½	3½	3½	3½	4	4	4
Year	3½	4	4½	4½	4½	3½	3½	3½	4	4	4½

\* Estimated minimum distribution.

For the same reasons as given last week with regard to the Central Uruguay Railway, the future

of the Northern Extension Company is very promising, and progressive dividend distributions should be forthcoming in the next few years. Although only 185 miles in length, the Extension forms the main trunk line of the Central Uruguay Railway from Rio Negro to Rivera, on the Brazilian frontier, and is the connecting-link between the Brazilian and Uruguayan railway systems. The link was only completed about three years ago, and the Company has yet to benefit from the interchange traffic between the two Republics which is likely to result as soon as business conditions again become normal. Developments in this direction have been delayed by the financial and economic crisis of the past two years, but there is no doubt the desire to foster international trade between the various South American Republics, so noticeable a little while back, will revive with a recovery of prosperity, and as time goes on will have a marked effect upon railway earnings and profits. The line is also physically connected with the Midland Uruguay Railway, which runs to Fray Bentos on the river Uruguay, and here also important developments (temporarily suspended by the crisis) are taking place, whereby a new traffic route between Rio, Santos and Buenos Ayres may be established which will be of material benefit to the Uruguayan lines.

Until the recent set-back the progress made by the Company was very satisfactory. In the 10 years 1903-13 the gross earnings advanced from £39,000 to £147,000, and the net earnings from under £16,000 to over £75,000. Moreover, the growth in profits was equally satisfactory, for whereas in 1902-03 there was, ignoring the guarantee, a deficit of £5,000 in providing interest charges in full, in 1912-13 there was a surplus in excess of charges of approximately £41,000, a sum equal to a dividend of over 4% on the share capital. The untoward events of the past two years, with their disastrous effect upon international trade, are, it is to be hoped, not likely to recur; and now that Uruguay, like Argentina, is experiencing a big demand for its produce at exceptionally high prices, a period of great prosperity appears to have set in, and a rapid recovery in railway earnings and profits is likely to result. To show the progress which the Company has made in the recent past we set out herewith the course of earnings, both gross and net, since 1902-03:—

*Central Uruguay Northern Extension.*

Year ended June 30	Miles Open	Gross Earnings	Expenses as a total	Ratio	Net Earnings	Div. on Ord.
1915*	185	90,300	49,300	55.00	41,000	4½
1914	184½	121,572	62,182	51.15	59,390	4
1913	182	147,143	71,612	48.67	75,531	4½
1912	182	122,361	62,611	51.17	59,750	4½
1911	182	106,455	55,889	52.50	50,566	4½
1910	182	91,330	50,232	55.00	41,098	4½
1909	182	87,321	48,027	55.00	39,294	4½
1908	182	76,785	42,232	55.00	34,553	4½
1907	182	75,188	40,418	55.00	34,770	4
1906	182	63,437	38,062	60.00	25,375	4
1905	182	66,702	38,219	57.30	28,483	4½
1904	182	50,863	30,518	60.00	20,345	3½
1903	182	39,108	23,465	60.00	15,643	3½

\* Estimated.

The price of the £10 Ordinary shares is now about £4 8s. 9d., and, assuming a dividend of 3½% is distributed in respect of the past year, a yield of £8 8s. 6d. would be forthcoming. As the Company may distribute more than 3½% the shares are at a very attractive level, and as a speculative investment may be commended. The Company's 5% Debenture stock, which is a well-secured investment, can be bought at about 89¼ to give a yield, allowing for accrued interest, of slightly over £5¼%. The capital of the Company is as follows:—

*Northern Extension.*

Security	Amount	Interest	Price	Yield
Permanent 5% Debenture Stock	£ 1,627,150	3	89¼	£ 5 16 3
Ordinary shares (£10)	1,000,000	3½	£ 4 8 9	8 8 6

Total capital ... 1,627,150

\* Estimated minimum distribution.

### THE EASTERN EXTENSION.

This extension of the Central Uruguay Railway runs from Toledo, a station on the North-East Uruguay Railway, to Melo, a distance of 246½ miles, with a branch (64½ miles) from Nico-Perez to Treinta y Tres. The line was originally designed to stretch to Centurion, on the Brazilian frontier, but at the request of the Government construction operations were temporarily suspended at Melo, 30 miles from the frontier, and the branch to Treinta y Tres undertaken in its place. There is no doubt that the extension to Centurion will be completed as soon as circumstances permit, and it is more than probable that the Brazil Railway, which is within 30 miles of Centurion, will subsequently be extended so as to connect up with this section of the Central Uruguay Railway. All this is, of course, a matter for the future, but it is important as indicating the possibilities of the undertaking when the construction scheme as originally contemplated is carried out. At the moment the Company is developing the new territory opened up by the main-line extension and branch line so far constructed, and prior to the financial crisis which set in two years ago the results were eminently satisfactory. The set-back now being experienced may, however, be regarded as a temporary matter. As already stated, Uruguay is at present experiencing a big demand for its produce at exceedingly high prices, so that the wealth of the country is being enormously increased. How long this will last no one can say, but it is obvious that present conditions are favouring Uruguay, and that as a consequence the commercial depression of the last two years is likely to be succeeded by a period of trade activity.

The financial stringency of the last two years and the outbreak of war in Europe twelve months ago have undoubtedly hit the Company badly. Three years ago the dividend on the Ordinary shares was 5¼%. In 1912-13, owing to new capital charges having to be met, profits were reduced and the dividend had to be lowered to 4¾%. Then came the set-back to trade in the early months of 1913, and in the year to June 30, 1914, notwithstanding the receipt of a larger sum from the Government under the guarantee, the distribution was again reduced to 3¾%. The past year has witnessed a further decline in earnings and profits, and it is doubtful if a dividend of more than 2½% will be forthcoming. The interim distribution was lowered from 3½% to 3% per annum, and the final distribution may be at the rate of only 2% per annum, as against 4% a year ago. The dividend record of the Company for a number of years is appended:—

#### Central Uruguay Eastern Extension.

	1914-15	13-14	12-13	11-12	10-11	09-10	08-09	07-08	06-07	05-06
Dec. half	3%	3%	4½%	4½%	4½%	4½%	4½%	4½%	4½%	3½%
June half	2½%	4%	5%	6½%	6½%	5½%	4½%	5%	4½%	5%
Year	2½%	3½%	4½%	5½%	5½%	4½%	4½%	4½%	4½%	4½%

• Estimated minimum dividend.

The decrease in gross earnings in the half-year, according to the weekly statements, was about £38,000, or 16.4%, and the total at £193,000 is the smallest since 1909-10. A portion of this loss will be borne by the Central Company under its working agreement, and the decline in net earnings may come out at under £19,000, or about 16%. On the other hand, the Company will probably receive an additional £8,000 from the Government, and the reduction in profit would thus be about £11,000. This would reduce the divisible surplus from £32,000 to £21,000, a sum equal to a dividend of 2½% on the Ordinary shares, with a surplus of £1,000. The balance brought forward from 1913-14 was over £3,000, and the undivided surplus for the year would thus be about £4,000. As it requires only £8,000 to pay 1% on the Ordinary, the Company could, by drawing upon this balance, pay an additional ¼ to ½% on

the shares. Whether or not it will do this remains to be seen. The approximate position of the Company as at June 30 last will be apparent from the table appended:—

#### Central Uruguay Eastern Extension.

	1914-15*	1913-14	1912-13	1911-12	1910-11
Gross earnings ...	£ 193,000	£ 231,309	£ 251,712	£ 252,002	£ 218,979
Expenses (as per agreement) ...	93,000	112,599	122,473	122,438	106,150
Ratio ...	(48.50)	(48.68)	(48.66)	(48.53)	(48.47)
Net earnings ...	100,000	118,710	129,239	129,564	112,829
Govt. guarantee ...	25,000	17,070	8,122	7,998	11,920
Interest, &c. ...	—	—	150	1,285	11,330
Total income ...	125,000	135,780	137,511	138,847	136,079
Int. on 5% Deb. stock ...	57,000	56,364	53,353	53,333	48,978
Miscellaneous ...	4,000	3,805	4,379	331	—
Total charges ...	61,000	60,169	57,732	53,667	48,978
Net profit ...	64,000	75,611	79,779	85,180	87,101
Div. on 5% Pref. shares ...	43,000	43,000	43,000	41,866	40,000
Profit for Ordinary ...	21,000	32,611	36,779	43,314	47,101
Ordinary dividend ...	20,000	31,211	39,596	46,679	40,542
Rate per cent. ...	(2½%)	(3½%)	(4½%)	(5½%)	(5½%)
Balance ...	1,000	Cr. 1,400	Dr. 2,817	Dr. 3,365	6,559
Brought forward ...	3,000	1,838	4,655	8,020	1,461
Carried forward ...	4,000	3,238	1,838	4,655	8,020

\* Estimated.

The decision of the directors will be made known in a few weeks, and if the outlook continues as favourable as it is at present a liberal distribution of profits may be anticipated. But whatever the dividend may be, the fact remains that the corner appears to have been turned and a marked recovery in earnings and profits is to be looked for in the not distant future. Judged by the progress made in the recent past as a result of the extension policy of the Company, excellent results should be secured as soon as conditions again become normal.

In the nine years 1904-1913 the gross earnings increased from £84,000 to £252,000, and the net earnings from about £42,000 to over £129,000, an improvement in both cases of over 200%.

The development of the system in recent years will be appreciated by a glance at the accompanying table, in which is set out the main results of working since 1903-04:—

#### Central Uruguay Eastern Extension.

Year to June 30	No. of Miles	Gross Earnings	Working Expenses	Ratio	Net Earnings	Div. on Ord.
1915*	Open	193,000	93,000	48.50	100,000	2½%
1914	311	231,309	112,599	48.68	118,710	3½%
1913	311	251,712	122,473	48.66	129,239	4½%
1912 (av.)	302	252,002	122,438	48.53	129,564	5½%
1911 (av.)	268½	218,979	106,150	48.47	112,829	5½%
1910 (av.)	242	189,928	92,346	48.62	97,582	4½%
1909 (av.)	179	141,732	68,925	48.63	72,807	3½%
1908 (av.)	132	117,592	55,856	47.50	61,736	4½%
1907	128	113,627	55,173	48.56	58,454	4½%
1906	128	107,480	52,188	48.56	55,292	4½%
1905	128	102,922	48,888	47.50	54,034	4
1904	128	84,466	42,233	50.00	42,233	2½%

\* Estimated.

The price of the £10 shares is now 4½, and if the dividend for the past year is lowered to 2½% a yield of about £6% would be forthcoming. Were a dividend of 2½% to be paid the yield would be over £6½%, whilst a 3% distribution would return the investor as much as £7 3s. 9d. per cent. Advantage should, we think, be taken of the fall in price to take an interest in the shares, which are distinctly attractive at the lower figure. The 5% Preference shares of £10 each can be obtained at about 6½, and a yield of as much as £8 3s. 11d. per cent. is forthcoming. The dividend is well covered by the existing net income of the line, and there is every prospect of the margin being substantially increased in the next few years. For the more prudent investor the 5% Debenture stock at about 80 should have attractions, the yield, allowing for accrued interest, being £6 7s. per cent.

The issued capital of the Company is as follows:—

#### Eastern Extension.

Security	Amount	Interest	Price	Yield
5% Permanent Debenture stock	£ 1,166,666	5	80	6 7 0
5% Preference shares (£10) ...	800,000	5	6½	8 3 11
Ordinary shares (£10) ...	800,000	2½*	4½	5 19 9
Total capital ...	2,866,666			

\* Estimated minimum distribution.

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ESTABLISHED 1805.

## CALEDONIAN

INSURANCE COMPANY.

**FIRE. LIFE. EMPLOYERS' LIABILITY.**

**PERSONAL ACCIDENT AND ILLNESS. BURGLARY.**

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LONDON { 82 KING WILLIAM STREET, E.C.  
OFFICES { 14 WATERLOO PLACE, PALL MALL, W.

## Insurance Notes.

### SCOTTISH UNION AND NATIONAL INSURANCE COMPANY.

ANNUAL REPORT AND LIFE VALUATION.

APART from capital about nine-tenths of the accumulated funds of this comprehensive insurance Company relate to its life department. More important, however, to shareholders from a dividend-earning point of view are the sections dealing with fire, accident and employers' liability insurance; and this will also be the case in future with the marine underwriting, in which the Company is now interested through its purchase of the Maritime Insurance Company, referred to in these columns on May 9, 1914. But the life operations directly affect the greatest number of individuals who are connected with the Company in one way or another; and their outcome in 1914 is, moreover, of greater interest to the general public than that of the commercial part of the Company's business, seeing that a quinquennial valuation was made at the close of that year.

A large part of the life business relates to sections that are now closed to new entrants. The Company represents a fusion of the Scottish Union and Scottish National companies which took place 37 years ago, and the policies issued by these companies before their amalgamation are kept in distinct classes for valuation purposes. This is also the case in regard to the City of Glasgow life business, which was absorbed two years ago. In the life assurance accounts appended to the directors' report for 1914 the business in these sections is not differentiated, so that the figures given hereunder refer to the Company's existing life business as a whole, whether direct or acquired.

New life policies for £877,327 were issued by the Company in 1914, of which £93,533 was reassured. The net retention, £783,794, shows a decrease of £184,095 as compared with that of 1913. The total

net life premium income, decreased by £288, amounted to £1,700,000, against a sum of £1,988,000 received in 1913, after deduction for new annuities granted. After a small allowance is made for the cost of the already business, expenses of management, inclusive of commission, seem to have absorbed about 14% of the premiums. Claims by death amounted to £426,700, as compared with £472,331 in 1913. Endowment assurance for £93,473 matured by survivorship. The proportionately very large sum of £412,944 was written off investments for depreciation, the life assurance and annuity fund on December 31, 1914, amounting thereafter to £8,335,443.

The life valuation for assurances was made on the same basis and at the same rates of interest as in 1909, when for Scottish Union and National policies the OM Table of Mortality was used in combination with interest at 3%. In respect of annuity business the Government Annuity Table issued in 1912, also with 3% interest, was employed. The use of this table required a higher standard of reserve, which was provided for by a transfer of £3,385 to the annuity fund from profit and loss account.

The Actuary reports that had the value of the assets been maintained an increased bonus could have been distributed in every participating section of the life business, and also that the life funds, even as reduced, would have admitted of substantial bonuses being declared in certain sections. But it is explained that, having regard to the shrinkage of securities which has taken place since the outbreak of war, and the uncertain outlook as to future values, the directors have deemed it prudent to postpone any declaration of profits until the end of the year following that in which peace is concluded.

In order, however, that no prejudice may be done to participating policyholders whose policies may become claims before such a declaration is made, it has been decided to allocate to such policies the following interim bonuses:—

*Scottish Union Policies.*—A bonus for five years at the same rate as was declared for the quinquennium ended December 31, 1909.

*Scottish National Policies.*—£1% on the sum assured for each full year's premium paid subsequent to December 31, 1909.

*City of Glasgow Policies.*—£1% on the sum assured for each completed year of assurance subsequent to December 31, 1912.

*Scottish Union and National Policies.*—(a) Early bonus policies: £1% on the sum assured for each full year's premium paid subsequent to December 31, 1909; (b) Deferred bonus policies: The same rate as was declared for the quinquennium ended December 31, 1909, but not exceeding a total of £1% per annum on the sum assured from the date of vesting.

*Fire Department.*—In 1914 the fire premium income, increased by £6,321, amounted to £764,167, and after adjustment of reserve for unexpired risks (the basis in this Company in all its commercial sections for their reserves being 50 per cent. of the premiums in each year) the profit shown is £42,961, of which £14,769 represented interest earnings. Thus the trading profit amounted to £28,192, or to about 3.7% of the fire premiums, which is a low ratio in a year undisturbed by great conflagrations.

*Accident Department.*—The departmental premiums amounted to £19,382, and the realised profit to £3,777, of which £412 represented interest earnings and £3,365 trading profits, their ratio to premium income being 17.4 per cent.

*Employers' Liability Department.*—Premiums, £35,441; profit, £8,429, of which £799 was due to interest earnings and £7,630 to trading. The trading profits represented 21.5% of the premiums.

*General Assurance Department.*—Premiums, £20,777; profit, £5,025, of which £443 arises from

interest and £4,582 from trading. The trading profit represents 22% of the premiums.

It will be seen that the profits in the last-named three sections were at a high standard. Though the relative business is comparatively small, it is evidently of excellent quality.

The sinking fund and capital redemption account shows a premium income of £8,182. On valuation at December 31, 1914, a profit of £3,749 was transferred to profit and loss account, the departmental fund thereafter amounting to £62,823.

Interest and other earnings not departmentally credited, less interest paid on accident Debenture bonds (issued when the Company absorbed the Lancashire and Yorkshire Accident Company in 1906) and other charges, give a net further profit of £32,136, which is credited to profit and loss account.

The ordinary profits taken credit for in 1914, as above referred to, are as follows:—

	Profit from Trading £	Profit from Interest £
Fire department ... ..	28,192	14,769
Accident department ... ..	3,365	412
Employers' liability department ...	7,630	799
General insurance ... ..	4,582	443
Sinking fund... ..	3,749	—
Profit and loss account ... ..	—	32,136
	<b>£47,518</b>	<b>48,559</b>
	<b>£96,077</b>	

A dividend at the rate of 20% on the capital is declared, as last year. The subscribed capital amounts to £5,086,380, of which £300,000 is paid up; some of the shares being for £20, with £1 paid, and some for £10, with £3 15s. paid. The dividend, payable in equal moieties in June and December 1915, less tax, will presumably (less tax) absorb £55,000, which it will be seen only exceeds by £6,441 the amount of the interest earnings in 1914. The sum of £3,385, as already referred to, is transferred from profit and loss to the annuity fund. The expenses in connection with the purchase of the share capital of the Maritime Insurance Company amounted to £8,016. A provision of £15,000 is made for possible bad debts in consequence of the European war. The sum of £132,056 is written off for depreciation in the value of shareholders' investments. A net amount of £60,000 is transferred to investment reserves, and after giving effect to these operations and adjustments the balance carried forward in profit and loss account, after provision for dividend, less tax, shows a decrease of £177,379 as compared with the corresponding figures of the previous year, and amounts to £31,395.

Thereafter, apart from capital, life and cognate funds, and investment reserve fund of £100,000, and after provision for dividend and outstanding claims, the reserves stand as follows:—

Fire insurance fund ... ..	£382,084
Accident fund ... ..	9,691
Employers' liability fund ... ..	17,720
General assurance fund ... ..	10,389
General reserve fund ... ..	300,000
Profit and loss ... ..	31,395
	<b>£751,279</b>

This represents about 89.4% of the combined income in the fire accident, employers' liability and general assurance departments.

The accounts of the Maritime Insurance Company show that the profits of that Company, the shares of which are now held by the Scottish Union and National, amounted in 1914 to £41,155, in respect of which a dividend of £17,500, or 17½% on the capital of £100,000, was paid in February 1915. The price paid for the acquisition of these shares seems at £8 15s. per Maritime share to have been £437,500. The dividend paid by the Maritime Company for 1913 was at the rate of 12½%.

The Scottish Union and National balance sheet at December 31, 1914, shows total assets of

£10,282,988. The values of the Stock Exchange securities in respect of these held on December 31, 1913, are stated at or under middle prices quoted on that date, and in respect of those purchased since that date at the purchased prices or less, minus in both cases accrued interest.

## R. & W. HAWTHORN, LESLIE & CO.

VERY distinctly satisfactory results are reported by this engineering and shipbuilding &c., Company, of Newcastle-upon-Tyne, for the twelve months to June 30, 1915, the profits amounting to the largest figure yet shown by the Company. The prosperity is not surprising considering the fact that the Company's plant has been running continuously since August last year on Admiralty and other Government work. With the plant thus continuously in operation it will be evident that the Company has been well placed in the matter of profit making, and as the financial position is a strong one it has been possible to take the fullest advantage of the opportunities that have offered. The Company was formed in April 1886 to amalgamate the firms of R. and W. Hawthorn, of Newcastle, and A. Leslie and Co., of Hebburn-on-Tyne. The purchase price was fixed at £480,000, and was paid as to £99,000 in cash and £381,000 in fully-paid shares. The Company's career has shown a fair amount of fluctuation, and up to 1904 its success as measured by the dividends paid was only of a modified character. For the year to June 30, 1886, the total distribution on the capital was 8%, but from that year until 1903 the highest distribution was only 5%, and this was forthcoming on three occasions during the time, while for the twelve months to June 1888 no dividend was paid at all. From 1903, however, a much more prosperous time has been experienced by the Company. For the twelve months to June 30 of that year the dividend was 6½%. This was succeeded by a distribution of 10% for the following year, and for 1905 and 1906 there was paid a dividend of 10% per annum, together with a bonus of 2½% for each year. For the year to June 30, 1909, the rate fell to 5%. This was succeeded by a distribution of 6% for the year to June 30, 1910, while for the past five years the profits have risen to such an extent as to permit of the distribution of a 10% dividend.

To indicate the manner in which the dividends have fluctuated for each year since the formation of the Company we set out the following table:—

Dividend Record.

Year ended June 30	Interim %	Final %	Total for Year %	Year ended June 30	Interim %	Final %	Total for Year %
1886 ... ..	2½	2½	5	1901 ... ..	1½	2½	4
1887 ... ..	2½	2½	5	1902 ... ..	1½	2½	4
1888 ... ..	Nil	Nil	Nil	1903 ... ..	2½	2½	5
1889 ... ..	Nil	2½	2½	1904 ... ..	2½	2½	5
1890 ... ..	2	2	4	1905 ... ..	2½	2½	5
1891 ... ..	2	2	4	1906 ... ..	2½	2½	5
1892 ... ..	2	2	4	1907 ... ..	2½	2½	5
1893 ... ..	1½	1½	3	1908 ... ..	2½	2½	5
1894 ... ..	1½	1½	3	1909 ... ..	2	3	5
1895 ... ..	1½	1½	3	1910 ... ..	2	2	4
1896 ... ..	1½	1½	3	1911 ... ..	2½	2½	5
1897 ... ..	2	3	5	1912 ... ..	2½	2½	5
1898 ... ..	1½	2½	4	1913 ... ..	2½	2½	5
1899 ... ..	2	2	4	1914 ... ..	2½	2½	5
1900 ... ..	1½	2	3½	1915 ... ..	2½	2½	5

• Including 2½% bonus.

Though we show in the above table the dividend for the year to June 30, 1914, as 10%, it may be remarked in passing that the actual distribution decided upon in the report for that year was 7½%; but in March 1915 an additional payment of 2½% was made an account of the twelve months to June 1914, thereby bringing up the total distribution for that year to the 10% shown. Naturally the profits made by the Company show fairly considerable fluctuations, regard being had to the nature of the business carried on. During the past seven years, for example, the profits, after

making allowance for depreciation, have been as low as £30,000, while for the twelve months to June 30, 1914, the corresponding figure was as high as £93,000. The exceptionally prosperous time enjoyed during the past twelve months has resulted in an increase to the record figure of £150,306. During recent years the nearest approach to the exceptionally large profits of the past year occurred during the year ended June 30, 1906, when the profit amounted to £102,704. In the following table we show the profits made by the Company for each year since 1904:—

Year ended June 30, 1915	Profit	Year ended June 30, 1909	Profit
1914	150,306	1908	37,456
1913	88,414	1907	85,224
1912	73,167	1906	102,704
1911	90,628	1905	9,046
1910	49,688	1904	80,725

\* After making allowance for depreciation.

In consequence of the exceptional demands of the past twelve months, and the excessive wear and tear of the machinery and plant, the directors have thought it prudent to write off a much larger sum for depreciation than would have been necessary in normal times. Consequently the allowance for depreciation has risen from £17,580 to £42,215. Mortgage and Debenture interest has only called for £9,715, as compared with £12,612 twelve months ago. There consequently remains a balance available for dividend of £149,681, as compared with £80,627. This sum is sufficient to provide for a total distribution of 35% on the Ordinary capital. Inasmuch, however, as the directors recognise the importance of carrying out a prudent financial policy, and as they recognise that the results under consideration are abnormal and cannot be counted upon to remain at the same level indefinitely, only a very small proportion of the sum available is to be distributed, and no increase is made in the dividend of 10%, which has now been paid for five years in succession. Of the balance of £107,953, a sum of £50,000 is carried to the reserve fund and a sum of £48,067 is set aside for future extensions and improvements of plant. The surplus of £9,886 is added to the carry-forward, bringing it up to £29,932.

In the following statement we set out the manner of distributing the profits for each of the past seven years:—

Year ended June 30—1915	1914	1913	1912	1911	1910	1909
Profit	150,306	88,414	73,167	90,628	49,688	44,828
Depreciation	42,215	17,580	12,612	10,980	10,070	8,864
Int. on mort. loans, &c.	9,715	12,612	10,980	10,070	8,864	7,380
Ordinary dividend	41,728	43,724	43,724	43,571	26,143	21,920
Reserves	107,953	33,220	19,526	40,274	503	—788
Brought forward	20,046	20,850	20,630	13,104	7,830	7,327
Carried forward	29,932	20,046	20,850	20,630	13,104	7,830

In 1899 the Company issued £170,000 of 4½% Mortgage Debenture stock. Of this there has been purchased and cancelled to date a total of £32,800, leaving a balance outstanding of £137,200. There are loans outstanding amounting to £20,721, and a mortgage on freehold land of £10,000. With the allocations from the profits of the past twelve months the reserve fund is brought up to a total of £236,000, and the provision for plant extensions to £60,000. There is also a leasehold sinking fund account, applied in purchase and cancellation of Debentures, amounting to £32,800. There is also shown a special reserve account of £27,000, representing the surplus on revaluation of works after writing off balance of goodwill as at June 30, 1911. The total assets are valued at £1,326,567, of which land, buildings, machinery, plant, &c., stand in net at £604,157. The cash in hand at June 30 last amounted to £216,592. In order

to show the position occupied by the Company we set out herewith an abstract of the liabilities and assets as at June 30, 1915:—

LIABILITIES	ASSETS
Issued share capital	£1,000,000
Mortgage debentures	£137,200
Loans	£20,721
Land, buildings, &c.	£604,157
Plant, machinery, &c.	£216,592
Reserves	£236,000
Profit and loss	£1,326,567

It will be evident from the above that the Company's financial position is a strong one, and that it possesses ample working resources to enable it to cope with the abnormal demand at the present time, as well as to finance future developments as required. It may be added that a large proportion of the £48,067 set aside for future extensions and improvements of plant will be absorbed during the current year. It will be recognised, therefore, that the directors have adopted a wise policy in providing out of revenue for this purpose rather than increasing the permanent capital account. It is pointed out that the financial position of the Company has been greatly benefited by the creation of the reserve, which has been added to from year to year, and the addition of £50,000 to this fund "will assist the Company in meeting any change of trade conditions, which it may be fairly assumed will follow the termination of the War." As far as the immediate outlook is concerned, naturally the present conditions prevailing will continue for some time to come, and it may be expected that business will continue to be abnormally active, at any rate until the War comes to an end. But as, unfortunately, there appears to be little immediate prospect of such an event, it is probable that R. and W. Hawthorn, Leslie and Company will con-



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tinue to benefit. It is desirable, however, that during the exceptional times that the Company is experiencing, with the abnormally large profits that are being secured, substantial proportions should be kept in hand, so as to place the Company in as strong a position as possible to meet any bad times that may accrue when special demands are satisfied and less prosperous trade conditions ensue. From what has been shown above it will be recognised that the directors fully appreciate the importance of such a policy, and we doubt not shareholders will be prepared to support the directors heartily in the policy that they are pursuing. The First Mortgage Debenture stock is quoted at about 97, giving a yield of approximately £4 7s. 7d. per cent. The stock is well secured from both capital and interest point of view. The £10 share is quoted at 13½, and on the basis of a 10% distribution, a yield of about 7½% is afforded. With the strengthening of the financial position the capital value of the share is naturally enhanced, and while fluctuations in profits will naturally occur, the return over a series of years should be quite satisfactory.

Amount £	Description.	Par £	Price £	Div. %	Yield £ s. d.
140,200	4½% Mort. Debenture stock	100	97	4½	4 7 7
467,700	Shares	10	13½	10	7 12 6

## GOLDSBROUGH, MORT AND COMPANY, LIMITED.

DURING the past 10 years the results secured by this Australian pastoralist Company have been of a very different character to those previously reported. Earlier on the Company suffered very severely from the big drought and financial crisis through which Australia passed in the early 'nineties, and, indeed, it was necessary to carry through more than one re-organisation and reconstruction; but from 1908, when the Company was able to resume dividends, the results have been much more successful, and, indeed, some very substantial distributions have been forthcoming. The twelve months to March 31, 1915, have naturally not been as prosperous as the previous year was, for, in addition to the dislocation of business generally owing to the War, Australia has also suffered by a severe drought. The drought, which has affected the greater part of Australia for a prolonged period, has caused very large losses of stock. The Company's own properties, however, suffered very slightly, but many of its numerous constituents have had a very trying time, "and although the recent rains have mitigated the drought, they came late for stock in a starving condition, consequently the cold weather following the rainfall has caused heavy losses in lambing ewes and other stock. It would be hazardous to venture a prediction of what the total loss of stock will amount to at the end of the year, but we all must realise the fact that it will be very great. Natural increase will go a very little way towards replacing losses already incurred." As regards the wool-clip, there is an extensive shortage in exports from Australia up to date as compared with the previous year, and in view of the stock losses since the 1914 shearing a further considerable reduction in the wool output for the current season is looked for. Considering the disorganised state of the market in the earlier stages of the season, and the restricted competition owing to the War, wool has sold at prices much better than owners at one time hoped for, but the general result is a large reduction in money value and a large quantity of wool difficult to realise at any except extremely low prices, and these two factors have inevitably affected the business of Goldsbrough, Mort and Company.

Owing to disarrangement of local markets, consequent upon the outbreak of the War, the shipping of large quantities of wool to London, hitherto sold in local markets, and the delay and difficulty in getting

wool from the interior, due to drought conditions, a comparison with last year's sales is manifestly out of place. The wool-selling season, which usually closes at the end of February, is being extended into the winter months—some wool of last season's shearing has not yet reached brokers' stores. The Company has handled 99,952 bales for the year ended March 31, as under:—

	Bales Sold	Bales Shipped	Total
Head office...	47,618	10,057	57,675
Sydney ...	31,813	5,992	37,805
Brisbane ..	4,239	233	4,472
	83,670	16,282	99,952

The net result is that the gross profit has fallen from £319,303 to £272,565. A slight reduction has taken place in the expenses, which have fallen from £67,457 to £65,654, but the land and income tax, &c., have gone up from £19,360 to £23,787. Consequently the net profit has fallen from £232,486 to £183,124. After providing for Debenture interest, &c., there is a balance of £106,706, as compared with £151,344. Having in view the abnormal conditions now existing and the serious shortage of feed over the main portions of Victoria, New South Wales, and Queensland, the directors have decided to reduce the dividend from 20% to 10%, and maintain as strong a cash position as possible. A sum of £25,000 is carried to the reserve fund; and the carry-forward is increased by £11,433, bringing it up to £92,882. Herewith we set out the profits and the manner of their distribution for each of the past five years:—

	Year ended March 31—1915	1914	1913	1912	1911
	£	£	£	£	£
Gross profit ...	272,565	319,303	297,782	492,676	443,667
Expenses ...	65,654	67,157	68,829	77,700*	66,051
Land and income tax, &c. ...	23,787	19,360	18,551	18,913	18,534
Net profit ...	183,124	232,486	210,402	396,063	359,082
Debenture and other interest ...	76,418	81,142	81,050	77,787	76,426
	106,706	151,344	129,352	318,276	282,656
Dividend ...	70,273	140,547	105,411	140,547	191,656
	(10%)	(20%)	(15%)	(20%)	(30%)
Reserve, &c. ...	36,433	10,797	23,941	177,729	91,000
	25,000	—	—	180,000	85,000
	11,433	10,797	23,941	Dr. 2,271	6,000
Brought forward ...	81,449	70,652	46,711	48,982	42,982†
Carried forward ...	92,882	81,449	70,652	46,711	48,982

\* Includes £10,000 applied to starting a provident fund.

† After deducting £79,856 paid to shareholders in the form of a distribution of shares.

The Company has two classes of Debenture stock in issue, the "A" stock amounting to £978,280, and the "B" stock to £644,943. The paid-up share capital amounts to £702,737, and there are reserves amounting altogether to £430,000. The total assets are valued at £3,211,432, of which advances on stock and station properties stand at £2,154,765. The cash in hand at March 31 last amounted to £196,184. Herewith we set out a summary of the liabilities and assets as at March 31 last:—

LIABILITIES.	£	ASSETS.	£
Share capital ...	702,737	Cash ...	196,184
Debenture stock "A" ...	978,280	Deposits ...	9,000
" "B" ...	644,943	Investments ...	242,664
Reserves ...	430,000	Advances on stock, &c. ...	2,154,765
Sundry creditors ...	78,414	Property, &c. ...	498,744
Deposits & accrued interest	145,127	Plant and machinery ...	10,097
Contingent liabilities ...	61,345	Shares in other companies	32,695
Profit and loss ...	170,586	Merchandise goods, &c. ...	5,938
		Contingent liabilities <i>per contra</i> ...	61,345
	3,211,432		3,211,432

The extremely dry conditions experienced in Australia moderated about the middle of May, when, with the exception of scattered falls in Queensland, useful rains fell over most of the country. The effects of the drought are, however, by no means over; more rain is needed, and favourable weather required to restore the country to anything approaching normal conditions. Until this position is attained stock losses will continue. It will be evident, therefore, that the wool-clip will show a further substantial reduction, which should be partially offset, however, by increased prices, but it is extremely doubtful whether the higher prices will also offset the losses that have

still to be faced as a result of the drought. The immediate outlook, therefore, is not of the most cheerful character, and the directors have acted very wisely in restricting the dividend for last year and keeping in hand substantial sums which will enable them to meet any further losses that may occur. The position now occupied by the Company, however, should enable it to meet current conditions with considerable equanimity, and, taking a longer view, with a resumption of satisfactory rains the pastoral and wool-selling business should quickly recover and a time of prosperity be once more experienced. In any case, Goldsbrough, Mort and Company should have little or no difficulty in maintaining a dividend of 10%. The present price of the £1 share is 31s., and on a 10% basis a yield of about 6½% is afforded. The 4% "A" Debenture stock stands at 72, at which figure a yield of nearly 5½% is given; the 5% "B" Debenture stock at 81½ gives a return of practically 6¼%. This may be seen from the following:—

Amount £	Description	Par £	Price £	Yield %	Yield s. d.
978,280	4% "A" Debenture stock	100	72	4	5 11 11
644,943	5% "B" Debenture stock	100	81½	5	6 4 3
702,767	Ordinary	1	31	10	6 14 4

## GOLCONDA MALAY RUBBER.

At the end of 1914 the total area of the estates of the Golconda Malay Rubber Company was 1,784 acres, situated in the Klang District, Selangor, Federated Malay States. Of this 1,705 acres were under rubber. The estimated crop for 1914 was 442,000 lb.; the actual output amounted to 427,374 lb., as against 372,673 lb. in 1913. That the estimate was not reached by 14,626 lb. is due to the fact that it was deemed advisable to continue light tapping on an area of 341 acres for a longer period than was contemplated when the estimates were framed. The average gross price realised was 2s. 1.66d., as against 2s. 4d. for 1913 and 3s. 11½d. per pound for 1912. The total "all-in" cost, including war risk insurance of .23d. and depreciation, amounted to 1s. 0.63d., as compared with 1s. 3.51d. in 1913. As the crop was larger, and the net price received was slightly higher, it is not surprising that the net profit was larger, amounting to £24,984, as compared with £17,981 for 1913. It was, consequently, possible to increase the dividend from 20% to 25%, and increase the carry-forward to £4,698.

The following are particulars of the profits for the past six years:—

Year ended Dec. 31—	1914	1913	1912	1911	1910	1909
Cultivated area (acres) ...	1,705	1,705	1,105	1,137	1,137	1,013½
Crop (lb.) ...	427,374	372,673	266,195	208,302	178,315	96,290
Aver. price (per lb.) ...	2 1.66	2 4	3 11½	—	—	—
Cost ...	1 0.63	1 3.51	1 5	—	—	—
Net ...	1 1.03	1 0.49	2 6½	—	—	—
Gross receipts ...	43,967	44,249	53,472	47,603	56,867	34,489
Special expenditure ...	—	6,886	—	—	—	5,595
Estate expenditure ...	17,998	18,862	18,798	16,549	14,286	8,369
Directors' fees, &c. ...	985	519	994	806	1,672	1,132
Net profit ...	24,984	17,981	33,680	30,248	40,909	19,593
Ordinary dividend ...	22,000	17,600	35,000	28,000	38,500	17,500
	(25%)	(20%)	(50%)	(40%)	(55%)	(25%)
Brought forward ...	2,984	381	—1,320	2,248	2,409	1,893
	1,714*	1,772*	4,092*	2,844*	1,786	Dr. 107
Carried forward ...	4,698	2,153	2,772	5,092	4,195	1,786

\* After deduction of directors' fees, &c.

One point will be noticed from the above statement, and that is that by no stretch of the imagination can the distribution policy be considered as conservative. As a matter of fact, the directors have carried out a policy of steadily distributing practically the whole of the profits. With an issued capital of £88,000 there is no reserve fund whatever. For the past six years the distributions have totalled 205%, an average of 34% per annum. Herewith we summarise the balance sheet as at December 31 last:—

LIABILITIES.		ASSETS.	
Issued capital	£ 88,000	Property	£ 76,855
Creditors	84	Realised and unrealised	11,000
Provision	—	Stock in hand	17,339
		Security deposit	1,518
		Cash	7,369
	114,141		114,141

The current year's estimate of crop is given at 445,000 lb. For the first six months the crop has amounted to 209,664 lb., so that it would appear that the estimated crop is likely to be secured. It is possible that a further slight reduction may be made in the "all-in" cost, and the Company should be able to report a slightly higher gross price for its sales. Assuming that the estimate is secured, and that a net profit of 1s. 3d. per pound is made, the total net profit for the year should approximate £28,000, which on the paid-up capital of £88,000 would permit of the dividend being increased to 30%. It is very desirable, however, for the future prosperity of the Company that a reserve fund should be started. The present price of the £1 share is 2½, and on the basis of 25% distribution the yield afforded is about 12%.

## THE AMERICAN CROPS.

CONSIDERABLE improvement has taken place in the condition of the principal crops of the United States during the past month, and the estimated yields, especially of wheat and maize, on September 1 were considerably ahead of those indicated at the beginning of August. The wheat and rye crops this year will be by far the largest ever gathered, and in the case of maize, oats and barley it would look as if the yields will be not far short of the bumper harvests of 1912. How the estimated crops for this year compare with those for several previous years will be evident from the following statement:—

Yield of Principal Cereal Crops of United States.

Year	Wheat Million Bushels	Maize Million Bushels	Oats Million Bushels	Barley Million Bushels	Rye Million Bushels	Flax Million Bushels
1915*	981	2,985	1,105	223	440	18.0
1914	891	2,673	1,141	195	42.8	15.6
1913	763	2,447	1,122	178	41.4	17.9
1912	730	3,125	1,418	224	35.7	28.1
1911	621	2,531	922	160	33.1	19.4
1910	635	2,886	1,186	174	34.9	12.7

\* Estimated from condition reports, Sept. 1, 1915.

## New Issues.

### S. SMITH AND SONS (MOTOR ACCESSORIES), LIMITED.

THE British, Foreign and Colonial Corporation, Limited, is offering for sale 100,000 Ordinary shares of £1 each in S. Smith and Sons (Motor Accessories), Limited, at the price of 21s. per share, in order to provide for outlay on a new factory and the necessary further working capital required for increasing the business. The shares now offered were created in July last. When fully paid the Company's authorised and issued capital will be £200,000 of all in one class of shares with no Debenture debt, which will provide ample cash resources for the requirements. The Company was established originally to manufacture speedometers for motor-cars; other motor accessories were added, and towards the end of 1914 Government orders were secured for munitions and large quantities of lighting sets, signalling lamps, aeroplane accessories, &c. During the present year further Government orders have been placed with the Company which will keep its works fully employed for months to come. With the increased facilities afforded by the new factory, and basing figures on actual orders in hand, the directors estimate that the sales for the current year will amount to upwards of £350,000, and that the profit will exceed £40,000. As apart from war orders the ordinary business has expanded at a rapid rate, it may fairly be anticipated that the new capital will prove remunerative, and the shares offered for sale may be regarded as a quite satisfactory industrial venture.

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**Third Party & Drivers' Risks,**

**Burglary, Plate Glass,**

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ESTABLISHED 1903.

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Paid-up Capital .. .. . £75,875

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**Manager: J. HERBERT E. LANE,**

**Actuary and Secretary:  
CHAS. WINDETT.**

## Commercial.

### OUR FOREIGN TRADE.

THE foreign trade returns for August are the most satisfactory for some time past, especially in that they appear to indicate the campaign for economy in consumption now being prosecuted throughout the country is becoming effective. The £69,497,000 of imports for the month are the lowest since February last, while, allowing for re-exports, the net imports of £62,173,000 are at a lower level than for some months past. Little further progress was made in increasing exports, but when account is taken of the number of working days in August it is apparent the improvement in the rate of exports has not been arrested. Exports for August were valued at £32,439,000, so that the excess of imports over exports for the month amounted to £29,734,000. With the exception of May last this is a more favour-

able balance of trade than has been shown since November 1914. Compared with July, which had two working days more than August, gross imports last month declined over £6,000,000, and the exports by less than £2,300,000.

Now that comparison is being made for the first time with what may be termed a war month last year remarkable contrasts are shown. This is not to be wondered at when one recollects the chaotic conditions that existed in our foreign trade during the first month of war. Compared with August 1914 our imports last month were as much as £27,154,000, or 64.1% larger, whilst the net imports were £24,250,000, or 63.9% higher. In large measure, of course, these greatly increased figures are attributable to the high prices now ruling for grain and flour, meat, sugar, tea, wood and timber, petroleum, chemicals, drugs, leather and hides, which in the aggregate form the greater bulk of our imports. For the first time since March 1914 exports show a gain over the corresponding period of the previous year, the expansion last month over August 1914 having been £8,228,000, or 33.9%. It should be noted that higher prices are not reflected in the case of the exports to anything like the extent of the imports.

For the first eight months of this year the value of our net imports has been £505,681,000, against £406,037,000 in the same period of 1914, an expansion of £99,644,000, or 24.5%. On the other hand, the value of our exports was £250,783,000, against £324,074,000, a decline of £73,291,000, or 22.6%. The excess of imports over exports was thus as much as £254,898,000, against £81,963,000, an increase of £172,935,000. The excess is very much larger than this if the goods imported on Government account be taken into consideration. Allowance has, however, to be made for the larger income we are receiving from abroad for interest, shipping, &c., but even when this is done it is plainly evident we are still buying more goods than we can pay for by means of our exports and of our income from abroad. Fortunately, the improvement in exports in recent months and the apparent downward tendency of imports encourage the hope that as the months pass our ability to pay for a much larger portion of our imports in goods will be increased. The recent course of trade is indicated below:—

#### Foreign Trade of United Kingdom (000's omitted).

	Total Imports—			Net Imports—		
	1914	1913	+ or -	1914	1913	+ or -
	£	£	£	£	£	£
1st 7 months ...	435,250	440,491	- 5,241	368,148	373,124	- 4,976
August ...	42,362	55,976	-13,614	37,942	47,825	- 9,883
September ...	45,052	61,356	-16,304	39,778	54,503	-14,725
October ...	51,559	71,730	-20,171	44,379	62,174	-17,795
November ...	55,987	68,467	-12,480	50,544	60,466	-10,122
December ...	67,555	71,115	- 3,560	61,684	61,386	+ 298
Year ...	697,433	768,735	-71,302	601,944	659,160	-57,216
	1915	1914	+ or -	1915	1914	+ or -
	£	£	£	£	£	£
January ...	67,401	68,005	- 604	60,506	58,408	+ 2,098
February ...	65,268	62,053	+ 3,215	58,459	51,824	+ 6,635
March ...	75,591	66,947	+ 8,644	67,524	57,411	+10,113
April ...	73,678	61,627	+12,051	63,721	50,838	+12,883
May ...	71,645	59,089	+12,546	61,402	48,727	+12,675
June ...	76,118	58,282	+17,836	66,767	49,528	+17,239
July ...	75,548	59,377	+16,171	66,139	51,551	+14,588
August ...	69,497	42,343	+27,154	62,173	37,923	+24,250
8 months ...	573,737	477,559	+96,178	505,681	406,037	+99,644
	Exports of Produce & Manufactures of the U.K.—			Excess of Imports over Exports—		
	1914	1913	+ or -	1914	1913	+ or -
	£	£	£	£	£	£
1st 7 months ...	299,863	304,220	- 4,357	68,285	68,904	- 619
August ...	24,211	44,111	-19,899	13,731	3,715	+10,016
September ...	26,674	42,425	-15,751	13,104	12,078	+ 1,026
October ...	28,602	46,823	-18,221	15,777	15,551	+ 226
November ...	24,602	44,756	-20,154	25,742	16,710	+ 9,032
December ...	26,279	43,327	-17,048	35,405	18,059	+17,346
Year ...	430,231	525,245	-95,014	171,713	133,915	+37,798
	1915	1914	+ or -	1915	1914	+ or -
	£	£	£	£	£	£
January ...	28,248	47,806	-19,558	32,559	10,602	+21,957
February ...	26,177	41,262	-15,085	32,282	10,562	+21,720
March ...	30,176	44,519	-14,343	37,348	12,892	+24,456
April ...	32,170	39,947	- 7,777	31,551	10,891	+20,660
May ...	33,619	42,051	- 8,432	27,783	6,676	+21,107
June ...	33,234	39,873	- 6,639	33,533	9,655	+23,878
July ...	34,722	44,405	- 9,683	31,417	7,106	+24,311
August ...	32,439	24,211	+ 8,228	29,734	13,712	+16,022
8 months ...	250,783	324,074	-73,291	254,898	81,963	+172,935

## GERMAN METAL CONTRACTS.

The *Zinc Corporation* entered into contracts long before the War to supply the German firm of metal buyers with not less than 85,000 tons nor more than 95,000 tons of zinc during the years 1910 to 1919 inclusive. The contracts provided that if acts of God, *force majeure*, or other cause beyond the control of the sellers or buyers happened to prevent or delay the carrying out of the agreements they should be suspended during such liability. The Corporation sought a declaration that the War did not come within the meaning of this clause, and that the effect of the outbreak of hostilities was to put an end to the contracts, and not merely to suspend them.

Mr. Justice Bray, in giving judgment on September 7, said that after giving careful consideration to the clauses and all the circumstances of the case, he came to the conclusion that the contract should be declared to be absolutely dissolved as from August 4, 1914, when war broke out. The defendants intimated that they would appeal against this decision.

The action partakes of the nature of a test case, as there are other Australian base-metal-producers besides the Zinc Corporation interested if the higher tribunals uphold Mr. Justice Bray's judgment.

## THE COPPER MARKET AND THE SHARE MARKET.

In dealing last week with the European copper statistics we briefly referred to the expansion of output as a market influence. Braden's copper production for seven months of 1915 has been returned as 9,064 short tons, of which July contributed a month's record of 1,445 short tons. We referred to the Chile Company's position in THE STATIST of July 31. The Chile Company's mine at Chuquicamata is expected by October to have its full mill in operation, and thereafter attain a daily output of 10,000 short tons of ore of average 2% copper content. Assuming 300 working days in the year, 10,000 tons of 2% copper ore dealt with daily would give an output for twelve months of about 60,000 tons of metal. Such performance as a commencement by a new producer is a factor of importance.

In quite another direction a growth is going on which is little noticed. The Tanganyika output is assuming larger proportions, and will be considerably added to as additional units of plant come into operation. The copper produced by the Union Minière du Haut Katanga for the six months ending June 1915 was 6,932 tons, for July 1,472, and August 1,368 tons.

We have in recent months pointed out how the purely American companies are increasing their outputs. The aggregate of new production is growing rapidly, and even with the exceptionally large demand consequent on war requirements the rate of output is heading the exceptional consumption. Those persons who are directly engaged in metal industries will be alive to the situation, but the position is scarcely adequately noted by a great number of people who are indirectly interested, and holders of shares of copper companies have to bear in mind that a high level of price of copper cannot be expected to indefinitely continue. The profits of copper-mining companies are largely due to price obtained.

## LANCASHIRE COTTON INDUSTRY.

THE improvement so far is not very pronounced, but undoubtedly, compared with a fortnight ago, there are indications of more activity in both yarn and cloth. The stronger tone in raw cotton circles last week

stirred up buyers, and there is now more disposition to believe that a lower range of values is not likely to be experienced in the near future. Some needy sellers have taken very poor prices, and it is a struggle to get a better price for their goods. The quotation had advanced to 5.94d. Since then fluctuations have occurred, but on Wednesday last the rate was 5.89d. The advance in prices has been due to less favourable reports from the American belt, and in other respects the position of affairs appears to have favoured the "bulls." Egyptian cotton is also dearer, fully good fair brown being quoted at 7.90d. last Wednesday, as compared with 7.65d. on August 26. Very diverse reports are being received relating to the prospects for the Egyptian crop.

A larger demand in piece-goods for export is now being experienced, a welcome improvement showing itself in the business offering for India. Up to the time of writing sales of any weight have been isolated, but there seems to be every probability of more substantial buying during the next few days. It is some months since our customers in Calcutta and Bombay purchased freely, and it is believed that supplies are wanted in certain descriptions. Operations for China have been irregular, and perhaps on the whole more has been done in fancies than in standard makes. A little more activity has prevailed for some of the smaller markets of the Far East, such as Singapore and the Straits Settlements. Some useful orders are being booked from day to day for the South American outlets. Further improvement is taking place in the position of Burnley manufacturers, both printing and finishing styles being more strongly held. Some producers of dhooties have obtained relief by taking very low rates.

Negotiations are proceeding between the weaving

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employers and the operatives and the Government Committee on Production with regard to the war bonus on wages. Certain interviews took place in London last week. It is understood that a definite attempt is about to be made to legalise the standard rates of pay decided upon by the trade union officials and the federated masters.

The spinning mills in Oldham were stopped all last week for the annual holidays, and the lessened output of yarn had the effect of stiffening sellers. During the last few days rather more inquiry has come through, with some increase of business, but producers of fine counts still find it rather difficult to improve their position. Many mills are harassed by scarcity of labour, and some concerns are making special arrangements with operatives as regards payment. Demand in Egyptian yarns is not quite so dull, but relief is not easily obtained, and in certain counts and qualities stocks at the mills are undoubtedly heavy. In bundle yarns for India offers as a rule have been too low, but a fair amount of business continues to be done for France and Holland.

Our exports of yarn during August amounted to 13,429,500 lb., against 13,052,200 lb. in July and 8,046,800 lb. in the same month of last year. France continues to take freely. In cloth our shipments last month amounted to 418,794,300 yards, as compared with 538,617,400 yards in July and 313,074,600 yards in August 1914. Most Manchester shipping houses are much quieter in the way of sending goods abroad, and in many instances the staffs are working shorter hours.

## MEETINGS.

### NOBEL-DYNAMITE TRUST COMPANY, LIMITED.

An extraordinary general meeting was held on September 9 at Winchester House, Old Broad Street, E.C., to confirm resolutions passed on the 25th ultimo for winding up the Company voluntarily and approving draft agreements for the sale of the German interests of the Company. Sir Ralph W. Anstruther, Bart. (the Chairman), presided.

Mr. E. A. Brayley Hodgetts, one of the Joint Secretaries, read the notice convening the meeting.

The Chairman said: Ladies and Gentlemen,—At the extraordinary general meeting held on Wednesday, August 25 last, the resolutions which you are now asked to confirm were duly passed. The fourth resolution has been amended in the form in which it is presented to you to-day, namely, "That there be paid to the directors of the Company by way of additional remuneration for their services as directors the sum of £10,000, the same to be divided among them as they may agree, or, in default of agreement, equally." The Chairman proceeded to move the confirmation of resolutions 1, 2, and 3 for the liquidation of the Company voluntarily, with Mr. Harold J. Mitchell and Mr. Matthew B. Dickie as liquidators, and the approval of the draft agreements.

Sir Richard D. Awdry, K.C.B., seconded the motion.

Mr. Ralston said that he felt it his duty, in justice to the directors, to go to the offices after the previous meeting and examine the agreements. He had had them explained to him by Mr. Mitchell, who was most courteous, and after going through them he was bound to say that he could not understand why they should have been kept secret from the shareholders.

A Shareholder: They were not.

Mr. Ralston, continuing, said he was still of opinion that where agreements were concerned it was not well to rely on the word of Germans, and Germans were signatories to these agreements, although it was true that the negotiations had been conducted by a neutral, a solicitor in Christiania. He thought that probably the directors had acted in the shareholders' interests in making these agreements, and he must say that, after reading them, he considered they were the best possible agreements that could have been made.

The motion confirming the three resolutions was carried unanimously.

Mr. R. Storry Deans said he had to propose for confirmation the fourth resolution, under which the directors should be paid the sum of £10,000, to be divided among them as they thought fit, or, in default of agreement, equally. He was sure that everybody would agree that that sum was a most moderate one, and that the directors might very well have expected a much more ample compensation for loss of office.

Mr. William A. Elston seconded the motion, which was carried unanimously.

A vote of thanks was accorded to the Chairman, who, in reply, said the board had done their best in the shareholders' interests, and they all hoped for prosperous times in the future.

The proceedings then terminated.

## RAND GOLD OUTPUT.

(Continued from page 100.)

**Nourse Mines.**—Issued capital £827,821, in £1 shares. Mill, 260 stamps, 7 tube mills, making capacity about 58,000 tons for the month.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
June 30	Stps.	Milled	ing. Amt.	Per ton	Amt. Per ton	end of Period
1913-14	260	539,590	14½	764,608	28 4	572,381 21/3 152,226 7 1 14
1914-15	—	602,100	14	789,722	26/2	631,609 20/11 158,113 5/3 1½
1915-16.						
July ...	280	57,500	—	70,720	21 7	53,993 2 3 12,627 4 4 1½
Aug. ...	250	53,100	—	68,980	23 8	57,543 19/9 11,437 3 11 1½

Monthly profits include revenue from accumulated slimes.

Dividends—1914, June, 8½; Dec., 8½ per cent.

1915, June, 5 per cent.

**Randfontein Central.**—Capital, £4,500,000; issued, £4,193,700, in £1 shares. £2,918,400 of 6% Debentures, repayable at rate of £150,000 per annum. Plant: 1,000 stamps, 29 tube mills.

Year ends	Tons	Revenue		Expenses		Profit		Price
Dec. 31	Stps.	Milled	Amt.	Per ton	Amt.	Per ton	Amt. Per ton	end of Period
1914...907 av.	2,493,384		2,885,599	23/2	2,671,825	16 7	813,774	6/6 —
1915.								
6 mos. —	1,200,939		1,335,199	22 9	1,063,142	17 8	302,347	5/1 11 6
July ... 945	214,646		214,141	22 9	187,109	17 5	57,032	5 4 11 3
Aug. ... 956	211,731		219,555	24/2	184,283	18 1	61,505	6/1 10 9x

\* Mining operations considerably hampered by flooding of several of principal shafts, due to abnormally heavy rains.

Dividends—1912, Dec., 5 per cent. 1913, June, 7½ per cent.; Dec., 2½ per cent. 1914, June, nil; Dec., nil. 1915 June, 2½ per cent.

The sorting at the mine in the first half of 1915 was an average of about 50%.

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47 Threadneedle Street, E.C., and  
9 Waterloo Place, Pall Mall, S.W.

London Committee: Sir Thomas Skinner, Bart., A. Macdonald, Esq.,  
Manager: George Cyril Cassels.  
Financial Agents of the Government of the Dominion of Canada.

The Bank undertakes monetary business with all parts of Canada, Newfoundland and the United States, and issues Sterling and Currency Drafts and Cable Transfers

## THE ROYAL BANK OF CANADA.

Capital Authorised - \$25,000,000  
Capital Paid up - \$11,560,000  
Reserve Funds - \$13,000,000  
Aggregate Assets - \$180,000,000  
Head Office—MONTREAL.

Sir HERBERT S. HOLT, E. L. PEASE,  
President, Vice-President and General Manager.  
340 Branches in Canada and Newfoundland,  
28 Branches in Cuba, Porto Rico and Dominican Republic.

BRANCHES IN BRITISH WEST INDIES,  
ANTIGUA—St. John's; BAHAMAS—Nassau; BARBADOS—Bridgetown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; ST. KITT'S—Basseterre; TRINIDAD—Port of Spain; San Fernando.

Branch in British Honduras—BELIZE.  
Branches in British Guiana—GEORGETOWN, NEW AMSTERDAM, ROSE HALL.

New York Agency, Corner William & Cedar Streets.

LONDON OFFICE:  
2 Bank Buildings, Princes Street, E.C.  
JAMES MACKIE, Joint Manager.

## The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,356  
Reserve Fund & Undivided Profits (\$7,245,140) £1,438,727

Head Office: Montreal.

PRESIDENT—SIR H. MONTAGU ALLAN, C.V.O.  
VICE-PRESIDENT—K. W. BLACKWELL.  
GENERAL MANAGER—E. T. HEBDEN.

This institution has 209 Branches and Agencies extending from the Atlantic to the Pacific (92 being in the Western Provinces).

Every facility offered to the business of immigrants; Savings Department at all Branches, where interest is allowed at 3 per cent. per annum.

Drafts sold available in any city or banking town in the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.  
The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable Transfers available at any banking point in Canada.

## Ernesto TORNQUIST & Co.

LIMITADA,

BUENOS AIRES.

Established 1830.

Oldest Business Establishment in the River Plate.

CAPITAL FULLY PAID UP AND RESERVES,  
£2,325,036.

GENERAL FINANCIAL, BANKING  
AND COMMERCIAL BUSINESS.

## The BANK OF TAIWAN, LTD.

(Incorporated by the Special Charter of the Imperial Japanese Government, 1889.)

Head Office: TAIPEH, FORMOSA.

BRANCHES:—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-Kong, Kiukiang, Shanghai, Singapore, Swatow, and every Important City in Formosa (Taiwan), &c.

The Bank is authorised TO ISSUE ITS OWN NOTES in Formosa, conducts GENERAL BANKING AND EXCHANGE BUSINESS, has CORRESPONDENTS at principal commercial centres, and offers SPECIAL EXCHANGE FACILITIES for Japan, Formosa, China and the Straits Settlements.

London Office: 58 OLD BROAD STREET, E.C.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised ... £1,500,000  
Capital Issued ... 1,125,000  
Capital Paid Up ... 562,500  
Reserve Fund ... 500,000

Branches:

INDIA, BURMAH, CEYLON  
STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Deposits received for one year at 4 per cent. per annum. Rates for other periods on application.  
On current accounts in credit is allowed at 2 per cent. per annum or daily balances.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital, £1,000,000; Subscribed Capital, \$250,000.

Paid-up Capital ... £500,000  
Reserve Fund ... 510,000

Uncalled Capital ... £1,010,000  
Reserve Liability of Shareholders ... 125,000

Reserve Liability of Shareholders ... 625,000

£1,760,000

London Office 11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## THE EASTERN BANK, LIMITED.

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T.

(Chairman).

Sir JACOB E. SASSOON, Bart. EMILE TRANCQUI, Esq.

J. C. GEORGES BOUILLAT, Esq. J. S. HASKELL, Esq.

G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

## BANCO ESPAÑOL DE LA ISLA DE CUBA.

ESTABLISHED 1856.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,808,891.79

Assets - \$39,077,630.77

\$5 equals approx. £1.

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKCORP.

KLEINWORT, SONS & Co.

LYONDS BANK LTD.

## THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. P. SHANACKER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—H. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—O. P. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—

"FOURBANK," SAMUEL MONTAGU & CO.

LONDON CITY AND MIDLAND BANK, LTD.

LYONDS BANK LTD.

## NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta Cochin (S. India) Newera Eliya

Bombay Chittagong Zanzibar

Madras Rangoon Mombasa

Karachi Mandalay Nairobi } British

Cawnpore Aden and Nakuru } East

Lahore Aden Point Kisumu } Africa

Amritsar Colombo Entebbe

Delhi Kandy Kampala Uganda

Tuticorin Junja

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National

Provincial Bank of England, Limited; National Bank

of Scotland, Limited.

The Bank conducts every description of Eastern

Banking business.

Deposits received for fixed periods at rates to be

obtained on application. Interest payable June 30

and December 31.

Current accounts are opened, and provided they do

not fall below £200 interest is allowed on the minimum

monthly balances at the rate of 2 per cent. per annum.

## THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which are incorporated the Bank of Africa

Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South

Africa in the Transvaal, Natal and Orange Free State.

Bankers to the Imperial Government in South Africa.

LONDON OFFICES—Circus Place, London Wall, E.C., and

117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of

South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and

all descriptions of Banking business connected with

South Africa and the Belgian Congo transacted on

terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

## RUSSIAN & ENGLISH BANK

28 NEVSKY, PETROGRAD.

Capital authorised and fully paid up, £1,057,000.

Reserve Fund, £126,000.

English Members of the Council of the Bank include

Lord Balfour of Burleigh, K.T.

Sir Ian H. Amory, Bart.

The Bank transacts every description of Banking

Business; collects Cheques, Bills, Documentary Bills

in all parts of the Russian Empire. Undertakes the

Agency of Banks and the purchase and sale of Russian

Stocks and Shares.

Telegraphic Address: Britorusse, Petrograd.

# The Statist,

A Journal of Practical Finance and Trade.

REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

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## SALES BY AUCTION.

**JOHN HOARE AND CO.**  
will offer for SALE by PUBLIC AUCTION at the WOOL EXCHANGE, 71, Old Broad Street, E.C. on Saturday, 19th September, Monday, 20th September, and Tuesday, 21st September, 9,200 Bales AUSTRALASIAN WOOL  
5,000 .. PUNTA ARENAS WOOL  
500 .. FALKLAND ISLANDS WOOL  
800 .. ENGLISH WOOL.  
Catalogues in due course of JOHN HOARE and CO., 73 Basinghall Street, London E.C.

**JACOMB, SON and CO.** will OFFER by AUCTION at the WOOL EXCHANGE, Coleman Street, E.C., on Thursday, 9th, Saturday, 18th, Friday, 24th, and Thursday, 30th September,  
WOOL—17,000 BALES COLONIAL.  
Catalogues and further particulars of the Brokers, Moorgate House, 61 Moorgate Street, E.C.

## BANCO DE CHILE.

London Agency—  
94 GRACECHURCH STREET, E.C.  
Paid-up Capital ... .. Chilean Dollars. \$40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.  
The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

## NATIONAL BANK OF EGYPT.

Established by Khedival Decree, June 1898, with the exclusive right to issue  
Notes payable at sight to bearer.)  
Capital, £3,000,000 in 300,000 Shares of £10 each, fully paid. Reserve Fund, £1,500,000.

Governor: F. T. Rowlett, Esq. Head Office: Cairo.  
London Committee—  
E. W. P. Foster, C.M.G. Hon. Algernon Mills.  
Hon. Hugo Baring. Sir Carl Meyer, Bart.  
Hon. Sidney Peel.  
LONDON AGENCY:  
6 & 7 KING WILLIAM STREET, LONDON, E.C.  
Manager: J. T. Beatty-Pownall.  
Assistant Manager: A. F. Gillbee.

Accounts opened with traders and private persons.  
Circular Notes issued. Every kind of Banking business transacted.

Offices in Egypt at Cairo (Head Office), Alexandria, Assiout, Assuan, Benha, Beni-Suef, Chibin-El-Kom, Damanhur, Fayoum, Keneh, Luxor, Mansourah, Minieh, Mousky (Cairo), Port Said, Sohag, Tanta and Zagazig; and in the Sudan at Khartoum, Port Said and Suakim

## HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000  
RESERVE FUNDS  
STERLING RESERVE, held in London at Exchange of 2s. per \$ = £1,500,000 Sterling, invested in Consols and other Sterling Securities ... .. \$15,000,000  
SILVER RESERVE ... .. 18,000,000  
RESERVE LIABILITY OF PROPRIETORS ... .. \$15,000,000  
COURT OF DIRECTORS and HEAD OFFICE IN HONGKONG.  
LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Gair Rathbone, Esq. J. R. M. Smith, Esq.  
Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, Managers  
H. D. C. JONES, in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.  
9 Gracechurch Street, London, E.C.

## THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410  
Petrograd, Moscow, Paris.  
And over 100 Branches in Russia.  
London Offices:  
24 28 LOMBARD STREET, E.C.  
Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.  
Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.  
Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.  
Current Accounts opened and deposits received on terms which may be ascertained on application.

## COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.  
Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.  
Agencies at 2,034 Post Offices throughout Australia. Special facilities for the remittance of Settlers' funds.  
London Office:  
36-38 NEW BROAD STREET, E.C.  
C. A. B. CAMPION, Manager.

## STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100  
PAID-UP CAPITAL ... .. £1,548,525  
RESERVE FUND ... .. 2,000,000  
UNCALLED CAPITAL ... .. 4,645,575  
£8,194,100

BOARD OF DIRECTORS—  
W. R. Arbuthnot, Esq. Horace Peel, Esq.  
Sir David Miller Barbour, K.C.S.I., K.C.M.G. William Smart, Esq.  
K.C.S.I., K.C.M.G. Right Hon. Lord  
Robert E. Dickinson, Esq. Sydenham, G.C.S.I., G.C.M.G., G.C.I.E.  
James Fairbairn Finlay, Esq., C.S.I. Rt. Hon. Lord Welby, P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE, LOMBARD STREET, LONDON, E.C.  
Hamburg Agency: 27 Alsterdamn.  
New York Agency: 55 Wall Street.

OVER 220 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED  
MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

## BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.  
City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place, Regent St.  
Paid-up Capital, £6,240,000. Reserve, £2,378,800  
Manager—E. Conzolo.  
Sub-Managers: R. B. Hindley.  
(G. Costa.)

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANÇAISE et ITALIENNE POUR L'AMÉRIQUE DU SUD, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and

SOCIETÀ COMMERCIALE D'ORIENTE, Milan and Tripoli.

Agents and Correspondents in all parts of the world.

## LONDON BANK of AUSTRALIA LIMITED.

71 Old Broad Street, E.C.  
Subscribed Capital ... .. £1,276,747 10 0  
Paid-up Capital ... .. 669,587 10 0  
Reserve Fund and Undivided Profits ... .. 328,317 13 0  
Reserve Liability of Proprietors 607,150 0 0  
Remittances made by Cable. Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

## BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... .. £P.500,000  
Reserve Fund ... .. £P.300,000

BRANCHES IN:  
Piura, Callao, Mollendo,  
Chiclayo, Cerro de Pasco, Arequipa.  
Pacasmayo, Chincha Alta, Cuzco,  
Trujillo, Ica, Iquitos,  
Huaras, Huancayo, Huacho.  
Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

## THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.  
Subscribed Capital ... .. Yen 48,000,000  
Capital Paid up ... .. " 30,000,000  
Reserve Fund ... .. " 19,000,000

HEAD OFFICE: YOKOHAMA.  
Branches and Agencies at:  
Antung-Hsien Liao Yang Peking  
Bombay London Ryojun (Port  
Calcutta Los Angeles Arthur)  
Changchun Lyons San Francisco  
Dairen (Dalny) Fengtien Shanghai  
Hankow (Mukden) Sydney  
Harbin Nagasaki Tientsin  
Hong Kong Newchwang  
Honolulu New York  
Kobe Osaka Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—  
Bishopsgate, E.C.

## CANADA.

# THE DOMINION BANK.

HEAD OFFICE: TORONTO.

TOTAL ASSETS \$77,400,000.

SIR EDMUND B. OSLER, M.P., President. W. D. MATTHEWS, Vice-President.  
C. A. BOGERT, General Manager.

## LONDON BRANCH, 73 CORNHILL, E.C.

J. HAYDN HORSEY, Manager.

Dealers in Canadian and American Exchange.  
General Banking Business transacted. Information  
furnished regarding Canadian matters

### INDIA BILLS, PAYABLE IN LONDON IN STERLING.

ISSUE OF £7,500,000

The Treasury has been consulted under the notification of 18th January, 1915, and raises no objection to this issue.

The Secretary of State for India in Council hereby Gives Notice that Tenders will be received at the Chief Cashier's Office, at the Bank of England, on Wednesday, the 22nd September, at One o'clock, for India Bills, to be issued under the Acts 61 and 62 Vic., c. 13, and 10 Edw. VII., c. 5, to the amount of £3,500,000 (three million five hundred thousand pounds) in replacement of Bills for £2,000,000, falling due on the 28th September, 1915, and in partial replacement of Bills paid off temporarily during the current financial year.

The Bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated the 28th day of September, 1915, and will be payable at twelve months after date, viz., on the 28th September, 1916.

The Tenders must be expressed in English currency, and not in fractions of a penny other than halfpence or farthings, and must specify the net amount per cent, which will be given for the amounts applied for, and the Tenders of private individuals must be made through a London Banker.

The Bills will be issued and paid at the Bank of England.

The persons whose Tenders are accepted will be informed of the same on Thursday, the 23rd September, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England, not later than Three o'clock on Tuesday, the 28th September.

Persons tendering for India Bills are hereby notified that, having regard to the provisions of the Acts 22 Geo. III., c. 45, and 41 Geo. III., c. 52, the acceptance of any such Tender is subject to the express condition that no member of the House of Commons shall be admitted to any share or benefit to arise from the contract thereby made for the allotment of such Bills. The statutes do not apply to contracts entered into by incorporated trading companies in their corporate capacity.

The Secretary of State for India in Council reserves the right of rejecting any Tenders.

Tenders should be upon the printed form which can be obtained at the Chief Cashier's Office, Bank of England.

India Office,

16th September, 1915.

### TRANSVAAL GOLD MINING ESTATES, LIMITED.

(Incorporated in the Transvaal.)

DECLARATION OF DIVIDEND No. 19.

NOTICE IS HEREBY GIVEN that an Interim Dividend of 10 per cent. (two shillings per share) has been declared by the Board for the half-year ending 30th of September, 1915.

This Dividend will be payable to Shareholders registered in the books of the Company at the close of business on 30th of September, 1915, and to Holders of Coupon No. 19 attached to Share Warrants to Bearer.

The Transfer Books will be Closed from the 1st to the 7th of October, 1915, both days inclusive.

The Dividend will be payable to South African registered Shareholders from the Head Office, Johannesburg, and to other Shareholders from the London Office, 1 London Wall Buildings, London Wall, E.C., on or about the 5th of November, 1915.

Holders of Share Warrants to Bearer are informed that they will receive payment of the Dividend on presentation of Coupon No. 19 at the London Office of the Company.

Coupons must be left four clear days for examination, and will be payable at any time on or after the 5th of November, 1915.

By Order of the Board,

A. MOIR,

London Secretary.

London Office—

No. 1 London Wall Buildings, E.C.,

16th September, 1915.

### DELHI AND LONDON BANK, LIMITED.

NOTICE IS HEREBY GIVEN that the Half-yearly Ordinary General Meeting of this Company will be held at the Bank Office, Royal Bank Buildings, 5 Bishopsgate, London, E.C., on Wednesday, the 6th October, 1915, at Twelve o'clock noon precisely, to receive the Report of the Directors and the Accounts for the half-year ending 30th June, 1915, to declare a Dividend, and to transact any other business which may be brought before the Meeting.

Notice is also hereby Given that the Transfer Books will be Closed from the 18th September until the 11th October, both days inclusive.

By Order of the Board,

P. B. BAKER,

Manager.

Royal Bank Buildings

5 Bishopsgate, London, E.C.,

18th September, 1915.

## THE STOCK EXCHANGE.

## NOTICE

Members of the Stock Exchange are not allowed to advertise for business purposes or to issue circulars to persons other than their own principals.

Persons who advertise as Brokers or Share Dealers are NOT Members of the Stock Exchange or in any way under the control of the Committee.

Members issuing Contract Notes are required to use such a form as will provide that the word "Member of the Stock Exchange, London," shall immediately follow the signature.

A List of Members of the Stock Exchange who are Stock and Share Brokers may be seen at the Bartholomew Lane entrance to the Bank of England, or obtained on application to

EDWARD SATTERTHWAITE,

Secretary to the Committee of the Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

EXECUTORS, TRUSTEES, SOLICITORS and OWNERS selling Works of Art, Family Jewels, Old Silver, Furniture, Pictures, Prints, Miniatures, China Coins, Books, Old Lace, Furs, Musical Instruments, Guns, Trade Stocks and other valuables are informed that Messrs.

### KNIGHT, FRANK & RUTLEY'S

Sale Rooms, 20 HANOVER SQUARE, W., are Open Daily to receive Goods intended for Public Sale.

Auctions on Owners' premises in all parts of the country are held as required.

### JOSEPH BURTON & SONS, LIMITED.

NOTICE IS HEREBY GIVEN that the Transfer Books of the Debt and Stock and Preference Shares will be Closed from September 21st to October 1st, inclusive.

OSCAR L. THOMPSON,

Secretary.

Tallbot Street, Nottingham.

### DICKINS AND JONES, LTD

NOTICE IS HEREBY GIVEN that the Transfer Books of the Company's Five per Cent. Cumulative Preference Shares will be Closed from the 16th to the 30th inst., inclusive, for the preparation of the Warrants for the half-yearly Dividend due on October 1st, 1915.

By Order,

J. P. OLDROYD,

Secretary.

Registrars and Transfer Offices—

W. B. Keen and Co.,

23 Queen Victoria Street, E.C.,

12th September, 1915.

### THE LEOPOLDINA RAILWAY COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that the Register of the Five-and-a-Half per Cent. Preference Shares of the Company will be Closed from the 17th to the 30th inst., both days inclusive, for the purpose of preparing the Dividend Warrants for the half-year ended 30th June, 1915.

By Order,

J. H. DRURY,

Secretary.

Office of the Company—

5 Lombard Street, London, E.C.,

16th September, 1915.

### LONG ISLAND RAILROAD FIVE PER CENT. CONSOLIDATED MORTGAGE BONDS.

The Quarterly Coupons due 1st October, 1915, in New York on the above Bonds will be cashed on and after that day, at the exchange of \$4.85 per pound, at the counting house of the undersigned.

ROBERT BENSON AND CO.

No. 21 Bishopsgate, E.C.

### BILBAO RIVER AND CANTABRIAN RAILWAY COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN that an Interim Dividend of three shillings per Share, less income tax, for the half-year to 30th June, will be payable on the 23rd instant on the Preference and Ordinary Shares of this Company, and that the Transfer Books of the Company will be Closed from the 18th to 23rd instant, both days inclusive.

By Order,

L. H. BUCK,

Secretary.

Palace Chambers,  
9 Bridge Street, Westminster, S.W.,  
17th September, 1915.

### Wesleyan & General Assurance Society.

ESTABLISHED 1841. INCORPORATED 1914.

Chief Offices ... BIRMINGHAM.

London Branch Offices:

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for the Year ending 20th November, 1914.

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Expense Ratio ... 10.2%  
Rate of Interest, less Tax ... £4 1 10%

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# The Statist.

LONDON, SATURDAY, SEPTEMBER 18, 1915.

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# The Money Market.

Friday Evening, September 17, 1915.

Treasury Bills:—  
3 MONTHS. 6 MONTHS. 9 MONTHS. 12 MONTHS.  
Price ...£98 17s. 6½d. £97 15s. 1½d. £96 12s. 5½d. £95 10s.  
Discount Rate 4½% 4½% 4½% 4½%

Discount Rates:—  
60 DAYS. 3 MONTHS. 4 MONTHS. 6 MONTHS.  
Bank Bills ... 4½% 4½% 4½% 4½%  
Trade Bills ... 5½% 5½% 5½% 5½%

**Bank of England and Deposit Rates:—**

DATES FIXED.	BANK OF ENGLAND RATE.	DEPOSIT RATES.		
		BANKS. NOTICE.	DISCOUNT CALL.	HOUSES. NOTICE.
Sept. 2, 1915 ...	—	3½	—	—
July 22, " ...	—	3	3½	3½
April 8, " ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

**MONEY.**

An instalment on the War Loan fell due on Tuesday and was very easily met by the market, though a small amount of assistance was said to have been given to it by the Bank of England. On balance, however, the figures of the "other securities" showed a small decrease, so that during the week covered by the return the market was able to finance the instalment and to reduce its debt to the Bank. This, of course, it ought to be able to do by this time, since the amounts that it previously found for War Loan have been coming back to it through the usual channels of expenditure, with the result that market supplies are increased on the whole owing to the inflation that necessarily follows when borrowing is facilitated by credit operations. As we had begun inflating even before the Government began to borrow, owing to measures that had to be taken to meet the crisis of August 1914, the Government and the market now gyrate round a vicious circle, handing backwards and forwards to one another lumps of artificially manufactured credit. Something has been done out of the proceeds of the last loan to put this state of affairs right. The Government has paid off 160 millions to the Bank, but the extension of credit is still on an enormous scale and makes the whole position of the market very uncomfortable and uncertain.

Loan rates have been well and honourably maintained by the circle of banks who have agreed not to lend below 4½%, but there seems to be an increasing amount of cash available outside the circle, and on several days money has been offered at a much lower level. Discount rates have shown a tendency to ease, as is almost inevitable under present conditions. Bills are naturally scarce, since Colonial banks, which usually turn them out, are holding them up because of the improbability of being able to use the proceeds of them, if sold. Consequently, buyers who want bills have to make concessions in the rate, and the market eases, although the symptoms, by which in normal times one used to judge, by no means favour lower rates.

Gold has again been shipped abroad in large amounts, and though there has been a big arrival of foreign coin from abroad—which presumably must mean from Paris—the Bank's reserve has been considerably diminished. This continued export of gold is quite natural and desirable, in view of the large amount of gold that we have received from abroad since the War began and of the important uses to which our shipments are now put. But it is not satisfactory to see gold going out of the Bank into the country again, after all that has been said lately about the need for economy in its use as internal currency. In these times the use of gold for purposes of home payments is wasteful and unpatriotic and should be sternly discountenanced by all who have any influence in the matter.

Rumour has been busy with the progress of the Commission's negotiations in New York, but attempts to forecast the result of its efforts are premature. The Commission has a delicate task before it and will take its time. There seems to be rather a disposition to take the view that the negotiations are a purely one-sided affair, and that the Americans have the whip hand. This is by no means the case. If American investors do not lend us money, in the first place we and our Allies are in a position to ship huge amounts of gold to America in payment for goods required for the War, while we must also still hold large blocks of American securities which Wall Street might not like to see offered to it in a hurry. Moreover, it is very clear to American growers and producers that a heavy discount on the sovereign is not an advantage to them, and that, at a point, they will not be able to sell their goods to us at the pleasant rate of profit now current unless their power to do so is assisted by credit operations. There are thus so many reasons why the proposed loan is of advantage to the United States as well as to us that the Commission is by no means as helpless in the hands of the lenders as some people seem to think.

French Treasury bills for £2,000,000, falling due on October 5, are to be renewed on the basis of 5½% discount. An issue is announced of £3,500,000 India sterling twelve months bills, to be dated September 28, on which date £2,000,000 similar bills fall due.

With respect to the demand for discount, the market is entirely unchanged, for there has been no increase whatever in the supply of commercial paper, and, of course, there is still the absence of finance paper, which frequently in the past provided so good an outlet for surplus credits. The market has nevertheless been interesting, for some real progress has apparently been made in negotiations for settlement of the exchange position between New York and Europe, and there have been some very big bullion movements. The net result, however, has not been any improvement in the value of money. The Discount market is, in fact, weaker than it has been for some time past, seeing that dealers in fine paper have not been able to get 4½%, whilst some of them eager for bills have bought at as low as 4½%. This weakness is to be attributed not only to the prospective settlement of the exchange position, but also to the fact that money has been very plentiful throughout the week. Whilst it is argued there is not likely to be any diminution in Government disbursements, there is a prospect of £60 to £70 millions being released by the Government between now and the end of October, through the maturity of Treasury bills. Convention rates of money have been maintained, but there has been more business outside the banking syndicate, seeing that loans over the night have been negotiated at rates running from 4% to as low as 3%, whilst there has been more weekly money offering at 4½%.

**INDIA STERLING BILLS.**

TENDERS will be received at the Bank of England on Wednesday next, September 22, for India bills to the amount of £3,500,000, in replacement of bills for £2,000,000 falling due on September 28, and in partial replacement of bills paid off temporarily during the current financial year. The bills will be dated September 28, 1915, and will be payable at twelve months after date.

**FRENCH TREASURY BILLS.**

ARRANGEMENTS have been made this week for the renewal of the £2,000,000 of French Treasury bills due October 5. The new bills, which were placed on a 5½% basis, will run for one year. Originally the bills were placed on a 5% basis.

**BANK OF ENGLAND.**

In one respect this week's Bank return was disappointing. The gold movements on foreign account had been exceptionally heavy, and had resulted in a net loss of £2,357,000. It had been fully expected, however, that with economy in the use of gold currency the bullion item would probably be but slightly reduced, instead of which the return shows a withdrawal of £1,384,000 in gold from the country. This is the biggest withdrawal for any week since the end of March. It would be unwise to argue that the efforts of the Government to induce the public to use paper instead of gold have broken down. The reduction is probably due to an adjustment of balances between the joint stock banks and the Bank of England. The total amount of gold lost to the Bank was £3,741,384, a sum which has only been exceeded once since the first week following the outbreak of war. Besides losing this money the market also lost £275,000, owing to a decrease in the "other" securities. On the other hand the market received another £8 millions out of the public deposits following on a reduction of more than £8 millions last week, and Government balances at £121,575,000 are £56,000,000 lower than they were at the end of July. Consequent upon these big Government disbursements the bankers' balances, or other deposits, have risen £4,225,000. As the liabilities of the Bank are higher and the reserve is lower, the ratio of reserve to liabilities has fallen more than 1% to below 24%.

**MONEY IN NEW YORK.**

THE last New York Bank statement shows the somewhat large addition of £2,420,000 to loans, which have been raised to £533,338,000. Notwithstanding this further increase in the Bank's liabilities, the surplus reserve is slightly higher again owing to the large inflow of gold. Exchange upon London was lower earlier in the week, but at the close there was sharp recovery apparently on the belief that rapid progress was being made in the international exchange negotiations. Nominally money on Wall Street remains extremely easy at  $1\frac{1}{2}$  to 2%.

The following rates of exchange are current in New York:—

New York on—	Rate	Par as usually quoted	Discount
London ... sight	\$4 7 $\frac{1}{4}$	4 86 $\frac{1}{4}$ dollars for £1	3-3
" ... cables	\$4 71		
" ... 60 days	\$4 65 $\frac{1}{2}$		
Amsterdam ... sight	40 $\frac{1}{2}$ c.	40 $\frac{1}{2}$ cents for 1 guilder	0-1
Berlin ... sight	82 $\frac{1}{2}$ c.	95 cents for 4 marks	13-3
Paris ... sight	5 89 fr.	5.18 francs for \$1	13-7
Mexico ... Mex. silver \$	30c. U.S.	50c. U.S. for 1 Mex. \$	24-0

Rates for prime commercial paper and for call loans in New York are as follows:—

Sept. 16, 1915 ...	Prime paper ...	3 $\frac{1}{2}$ -3 $\frac{1}{4}$ %	Call money ...	2%
Sept. 17, 1914 ...	" "	6 $\frac{1}{2}$ -7%	" "	6-8%

**POSITION IN INDIA.**

THE opening of the export season in India again explains the good applications for remittances to the India Council on Wednesday last. The amount to be offered had been raised from 20 lacs to 40 lacs, but the applications rose roughly from 166 lacs to 292 lacs, with the result that the 40 lacs offered were all disposed of at a slight advance in the rate. The last return of the Currency Department shows a contraction of 105 lacs in the notes in circulation, which have fallen to 6,585 lacs. This reduction was represented in the reserve by a loss of 71 lacs in the coined silver, which has fallen to 3,921 lacs, and by a reduction of 34 lacs in the gold reserve, which has fallen to 600 lacs. This is the smallest amount of gold held in the Currency Department in India since October 1914.

The following are the minimum Rates of Discount current in India:—

Bombay ... 5 per cent. (June 2, '15) | Bengal ... 5 per cent.

Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 15, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.	%	Rate.	Tendered.	Accepted.	%
1 3 $\frac{1}{4}$	40,000	—	—	1 3 $\frac{1}{4}$	1,51,00,000*	—	—
1 3 $\frac{1}{2}$	50,000	—	—	1 4	52,00,000*	27,55,000	52
1 4	1,50,000	79,000	52	1 4	60,00,000	—	—
—	—	—	—	1 4 $\frac{1}{2}$	20,00,000	11,66,000	52
Total ...	2,40,000	79,000	—	Total ...	2,88,00,000	39,21,000	—

\* Deferred.

Grand Total ... Offered. Rs. 40,00,000 ... Tendered. Rs. 2,92,40,000 ... Accepted. Rs. 40,00,000

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	BILLS.			Telegraphic Transfers.		
	Rs.	Average.	Minimum.	Rs.	Average.	Minimum.
Calcutta ...	—	—	—	Def. 8,71,800	1/4	1/4
Bombay ...	—	—	—	Imm. 7,95,000	1/4.031	1/4 $\frac{1}{4}$
Madras ...	79,000	1/4	1/4	Def. 5,00,000	1/4	1/4
				Imm. —	—	—
				Def. 13,84,000	1/4	1/4
				Imm. 3,71,000	1/4.031	1/4 $\frac{1}{4}$

From April 1 to September 14 inclusive the Council granted remittances for Rs. 3,67,18,964, realising £2,445,443. Up to September 15 of last financial year the total Bills and Transfers sold was Rs. 5,41,79,832, realising £3,615,853. The total sales for the week ended September 14 amounted to Rs. 40,00,001, realising £266,843. The amount to be offered for tender next Wednesday will be increased to 50 lacs.

**INDIA GOLD STANDARD RESERVE.**

THE changes during August were slight, but the alteration that has taken place in the composition of the Reserve during the past twelve months has been interesting. Below is a comparison of the principal items of the return issued this week with those for last month, and those of a year ago:—

	August 31, 1914	July 31, 1915	August 31, 1915
In India—			
Gold ...	6,375,000	5,241,389	4,241,389
Credit ...	22,99	6,000,000	7,000,000
	£6,397,199	1,241,389	11,241,389
In England			
Gold ...	3,700,000	1,350,000	1,350,000
Cash ...	1,129,635	268,263	317,663
Securities ...	14,510,715	12,924,603	12,872,545
Total ...	£19,340,350	£14,542,666	£14,540,214
	25,737,549	25,784,255	25,781,603

**SILVER.**

THE London price of silver has not been improved by the activity in the Indian export trade. What support has been given to the market is declared to have been chiefly on Continental account. The price would have probably fallen more but for the continued purchases by the American Government. Their purchases amounted to 600,000 ounces on the 10th inst. and 500,000 ounces on the 14th inst., and, according to Messrs. Pixley and Abell, their total purchases are now believed to be about 4,100,000 ounces.

	Sept. 10	11	13	14	15	16	17
London ...	23 $\frac{1}{2}$	23 $\frac{1}{2}$	23 $\frac{1}{2}$	23 $\frac{1}{2}$	23 $\frac{1}{2}$	23 $\frac{1}{2}$	23 $\frac{1}{2}$
India ... Rs. 60	60 $\frac{1}{2}$	60 $\frac{1}{2}$	60 $\frac{1}{2}$	60 $\frac{1}{2}$	60 $\frac{1}{2}$	60 $\frac{1}{2}$	60 $\frac{1}{2}$
Exchange	1/4	1/4	1/4	1/4	1/4	1/4	1/4

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AT pages 458-9 we make some observations respecting the Stock Exchange position.

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## Mining Topics.

For the time being the trend of speculative activity in the Stock Exchange is mainly confined to the shares of gold-producing companies, more particularly as to the Rand, and specially the Eastern Rand. The chief movements of the week have been in Eastern Rand shares, and the favourites for the time are Modderfonteins, which have risen to over 15½, and Gedulds, which have been lifted to 33s. 9d., with the prospect of a still higher quotation in the near future if, as is expected, the directors come to a decision to enlarge the plant. One or two important announcements have recently been made. At the end of last week circulars were issued to the shareholders of the Robinson Deep Company, a proposal being formulated for the acquisition of the Booysen large area of additional deep-level ground. We had prepared some remarks upon this subject, accompanied by a plan, and had hoped to publish them this week, but owing to exigencies of space we are compelled to hold them over.

In a subsequent paragraph we refer to a proposal emanating from the Apex Company. Features of the week include a sharp rise in Knight Centrals and

West Rand Consolidateds, the reasons of which are elsewhere dealt with. The Transvaal G. M. Estates announces a dividend of 10% for the September half-year, comparing with 17½% a year ago. This makes 22½% for the year, against 35%. It will be remembered that the Company was a particular sufferer from the heavy floods in South Africa earlier in the year.

See page 465 *re* Knight Central and West Rand.

In the Miscellaneous markets the Broken Hill group have held their ground. Copper shares, notwithstanding fluctuations in price, have displayed no pronounced trend. An adverse feature of the week has been the continued fall in Burma Corporations. This is not due to any discomfort in respect of mining operations; indeed recent developments have been splendid. Large realisations are understood to have been effected, but as there were options at par on 200,000 shares till November next it is quite possible that the persons who held these are electing to take profits. Temporary vicissitudes of the market should not be allowed to obscure the merits of the property in the long run. There is reasonable ground for believing that the property will become a most important base-metal producer, but before the dividend stage is attained there will have to be continued pegging away at developments for some time ahead.

Among American shares the Oroville Dredging Company has declared its usual quarterly dividend of 2½%, and the Plymouth Consolidated has declared a second interim dividend at the previous rate of 1s. per share. Quarterly dividends of copper companies announced are: Utah, \$1; Chino, 75c.; Ray, 37½c. per share.

### APEX-KLEINFONTEIN.

In 1914 the Apex Mines, Limited, sold the gold-mining rights under its mynpacht area to the new Kleinfontein Gold Mining Company, and received 150,000 £1 shares of the latter Company. The Apex Company continued its ownership of rights over other area of the farm Rietfontein, also its coal rights. The issued capital of the Apex Mines, Limited, is 300,000 £1 shares. Meetings of the shareholders are to be held, November 19 and December 11, to deal with a projected distribution of shareholding and reduction of capital as follows:—

(1) Distribution of the 150,000 Kleinfontein shares by allotting one share per two Apex shares.

(2) Reduction of the 300,000 £1 shares of the Apex Company to shares of 10s. each.

The present price of Apex £1 shares is 16s. 9d., and that of Kleinfontein £1 shares is 23s. 9d.

2 Apex shares at market price	...	...	= £1 13 6
Deduct 1 Kleinfontein share	...	...	1 3 9
			9 9

The resultant would be that the new 10s. (reduced) Apex share would have a price of not quite 5s.

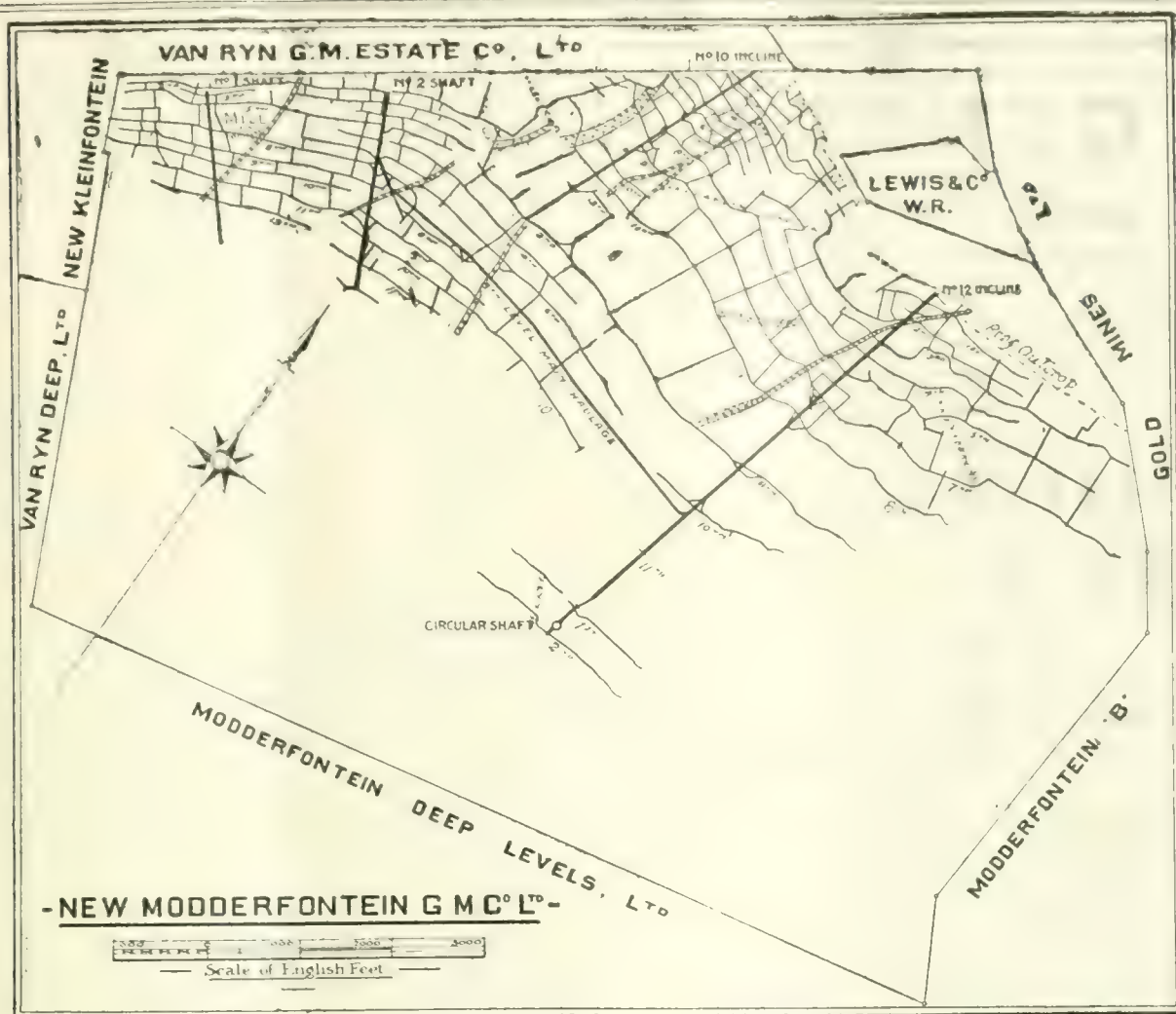
The following assets were retained by the Company:—

1. The coal area, together with equipment for coal-getting.
2. The quarry, plantations, &c.
3. The owners' share of claim licences on the area of the farm (ultimately representing some 4,000 claims), which has not yet been thrown open to pegging.

For 1914 the profit from coal getting was returned as £20,530, and sundry revenue £1,250.

**Cam and Motor.**—Capital £617,500, in £1 shares.

Year ends	Tons Treated	Value— £ Per Ton	Expenses— £ Per Ton	Profit— £ Per Ton	Price of Shares end of Period
June 30 1913-14	...	...	...	...	19/6
Feb 28-June 30...	56,130	53.476 19/0	—	—	14 3
1914-15	142,699	21.779 30 4	—	—	13 0
1915-16.	...	...	...	...	...
July ...	13,096	20,961 32/0	16,308 21 1	4,653 7 11	13 0
Aug. ...	12,849	20,893 32 6	16,492 25/8	4,401 6 10	12/0



### NEW MODDERFONTEIN.

THE success attending the extension of the Modderfontein's plant in 1907 by increasing the mill gradually from 60 to 120 stamps, and about three years later further extending the mill to 180 stamps, exceeded all expectations. In THE STATIST of October 17, 1914, we advocated the adoption of a self-denying ordinance on the part of shareholders, pointing out that they should favour a policy of applying profits to capital purposes for a while. We urged them to be content to receive a continuance of 30% dividends per annum until such time as an excess of profits over the sum required to pay a 30% per annum dividend had accumulated adequate to provide for the extension of the plant to a capacity to deal with 1,100,000 tons per annum. In the following month the directors, in deciding on such a policy, estimated that to augment the output by an additional 40,000 tons monthly, inclusive of additional outlay upon development, the amount of capital expenditure in a period of about 18 months would be in the region of £500,000. Development at the central shaft, &c., has been pressed on, and the additional mill, &c., plant is now in course of erection. If all proceeds smoothly, the probability is that the capacity of the mill, &c., from about the middle of 1916 will be raised to, say, 1,100,000 tons a year.

During recent years the Company has refrained from distributing dividends up to the hilt, and prior to the decision of the directors there had already been accumulated a considerable amount of profit towards an extension-of-plant policy. In respect of the June half of 1915 the directors slightly increased the six months' dividend to 16½%—previously 15% half-yearly.

This brief historical retrospect leads up to the question of what is the position of the finances of the Company in respect of the carrying out of its policy, which, as we have already stated, is expected to cost some £500,000. We estimate that at June 30, 1915, the Company held about £253,000 of liquid cash re-

sources after spending in the June half of 1915 some £47,000 on plant and development. Consequently, only about £200,000 further provision out of profits will have to be made to clear the decks for increase of dividend from results of operating the enlarged plant.

In the table below we give in comprehensive form the mine profit and net revenue of each of the past three years, ending June 30 in each case. Then, *per contra*, there is set out the detailed appropriations in respect of phthisis, &c., charges, the annuity that passes to the Government for mining rights under former water-right claims, and taxation in each year—including, in respect of the 1915 period, the extra war taxation—and, finally, the dividend amounts paid. Deducting these appropriations from the mine, &c., profit income, we arrive at the annual surplus of profit which has been, and is continuing to be, accumulated. To some extent, already, outlays have been provided out of profits, but what have been the aggregate appropriations in respect of 1914-15 will not be disclosed until the full text of the annual report has been issued. Meanwhile, we have the broad facts of what have been the annual surpluses and the summing-up fact of a net £230,000 having been the approximate amount of cash held on June 30, 1915. Below is the table showing surpluses for the past three years:—

	Year to June 30—1915	Estimated 1914	Actual 1913
Mine profit ...	£63,451	559,214	556,065
Sundry revenue ...	17,265	16,645	31,014
	70,716	575,859	587,099
<b>Appropriations—</b>			
Phthisis ...	£9,333	£11,486	£8,583
Strike account ...	—	6,627	—
Claims annuity ...	17,310	17,310	17,361
Taxes ...	73,780	53,429	54,848
Dividends, say ... 31½%	437,500	421,000	420,000
	537,923	509,112	500,792
Surplus ...	16,793	66,747	86,300
Balance brought forward ...	230,114	163,367	77,067
Balance carried forward ...	392,907	230,114	163,367

We have now entered into the new year, which ends June 30, 1916, and the approximate average for the first two months serves as our basis in arriving at an estimate of what will be the results of the current year. On a monthly mine profit of £57,500, twelve months' mine profit, plus sundry net revenue, and deducting appropriations, taxes, &c., also two half-yearly 16½% dividends, we estimate an approximate surplus for the year to June 30, 1916, of about £140,000. The rough figures are as under:—

	£
12 months to June 30, 1916, at an average monthly mine profit of £57,500	690,000
Sundry revenue	17,000
	<u>707,000</u>
Appropriations (about as 1914-15) and div. raised to 32½% say	£67,000
Surplus	140,000

On such showing, the position at June 30, 1916, would be as under:—

	£
<i>Excess of Profit</i>	
1913	86,307
1914	66,747
1915	162,793
1916	140,000
Total	455,847

It is to be noted that increasing the dividend means £35,000 additional will have to be distributed to what would be the case if 30% dividends were adhered to. It looks as if the directors saw their way to financing the position and making a small concession to the desire of shareholders for an increased dividend in the interim before the expansion of plant enables a more than doubling of the former rate of dividend. The position at the moment may be set out as under:—

	£
Cash in hand June 30, 1915	253,000
Profits of June half, 1915, spent as capital	47,000
Balance to clear expenditure of £60,000	<u>200,000</u>
Approximate cost of enlarging plant, &c.	500,000

We trust we have made the financial position clear as far as the particulars available enable us, and convey an idea of the policy being adopted.

All the foregoing remarks are based upon the position that has been attained since the Company made a start in a small way in 1896, about 3½ years after which came the hiatus of the Boer war. Nevertheless, we have the fact that by May 31, 1906, this enormous property, with its contents of millions of tons of ore, had only been attacked to the extent of the use of about 500,000 tons of ore. In 1907 there was emergence from the use of a 60 stamp mill to the commencement of the era of plant being enlarged to 120 stamps, for in the thirteen months period to June 30, 1907, the average number of stamps in operation was 105. The progress of 1907 and since is set out in the following detail, year by year, as to the number of stamps, the tons crushed, the sorting adopted, the mine profit, and the profit per ton.

Year to June 30	Stps.	Tons Milled	Sorting %	-Mine Profit-	
				Amount £	Per Ton
1907 (13 mos.)	115 av.	239,956	18½	94,920	7/1
1908	120	299,991	20	210,328	14 0
1909	121	352,816	19	249,773	13/7
1910	130	523,950	9½	279,565	10 8
1911	180	538,400	10	326,075	12/1
1912	181	555,900	10½	468,065	15 11
1913	180	555,400	7½	556,085	19/8
1914	180	510,350	4½	552,689	21/8
1915	180	611,500	17	683,451	22/4

It soon became evident that with the increased plant it was necessary to develop ahead of mill requirements, and the policy was adopted of effecting development as quickly as possible. In large part such policy was cramped by discomforts, more particularly in regard to labour and the effects of strikes. The progress, however, made in the way of building up ore reserves which we recently referred to (*vide* THE STATIST of September 4) has been great, and the ore reserve position is one of considerable strength. As to the present ore reserves we have to await the calculations usually made at the end of each financial year, which information will not be available until the issue of the annual report. Last year's report was dated

September 26, and therefore we should expect the report to June 30 last to be in the hands of shareholders by about the end of next month. Bearing upon the subject of a possible increase in the ore reserves at June 30, 1915, compared with the year previous, we may note the development showings of the mine in recent years, and in respect of quite recent years the quarterly statements issued showing the footage width and assay value of the ore developed.

Year to June		Main Reef			Shilling-Inch Value
		Distance Exposed Feet	Width Inches	Assay s. d.	
1908	...	9,141	12-09	90 8	1,096
"	1909	10,427	11-51	143 4	1,660
"	1910	18,071	9-6	217 6	2,988
"	1911	18,285	8	255 0	2,040
"	1912	14,378	10	186 1	1,861
"	1913	9,776	11	156 10	1,725
1913-14.	Sept. qr.	1,439	10	125 3	1,262
"	Dec. qr.	2,459	10	229 9	2,297
"	Mar. qr.	2,573	13	193 7	2,515
"	June qr.	2,669	10	204 9	2,047
1914-15.	Sept. qr.	3,537	11	131 2	1,342
"	Dec. qr.	3,420	12	140 5	1,684
"	Mar. qr.	3,612	12	169 5	2,032
"	June qr.	2,935	11	191 6	2,106

Last week we gave an approximation of what may be considered to be a conservative estimate of the remaining life of the property, and, apropos of a more exact calculation, we would call attention to the fuller detail we gave in THE STATIST of January 16, 1915, and we may briefly recapitulate that after elimination of 20% of the total intact area as being unpayable through faults, poor zones, &c., on the stoping width adopted, and after elimination of 15% for sorting we estimate roughly a life of 20 years remaining for the property, such life being based on a consumption of 1,100,000 tons per annum.

We give with these remarks a map of the Company's property, and would call attention to the fact that the network of lines indicates the extent of driving of levels and shaft sinking to June 30, 1914. The operations in the north-eastern portion represent merely the blocking out of ore by drives and very little ore indeed has been stoped from the approximately upper eastern quarter of the Company's property. It is to be recollected that from east to west there is an average stretch of reef-bearing ground of approximately 2¼ miles length and from the north boundary to the south of about 1½ mile, a huge area being in a virgin or untouched state. So far the extent of area that has been affected by dyke disturbances has been very small. The positions of the main dyke intrusions are set out in the plan and indicated by small crosses.

We hope, next week, to deal with the subject of intrinsic value of the £4 share in contrast with the market price.

## NORTH BROKEN HILL.

On the outbreak of war the contract for the sale of lead concentrate output to German smelters terminated—it ended by effluxion of time—and the Company was faced with the problem of finding an outlet for its product. The Company was obliged to heavily curtail operations. This was quickly done as from the beginning of August 1914, the Company's plant only working half time. Nevertheless a considerable portion of even the much smaller output since the outbreak of the War has had to be financed pending its satisfactory disposal. This is reflected in the appearance in the statement of liquid assets at December 31, 1914, of the heavy item representing value of products on hand and in transit.

Before the outbreak of the War this silver-lead-zinc mining Company was treating about 150,000 tons of crude ore from its mine per half-year, and therefrom producing about 26,000 tons of lead concentrates, which were disposed of under contract to German smelters. The zinc residues from the lead mill were sold by contract locally and brought in additional revenue. From its operations the Company, prior to August 1914, was earning a profit averaging over £150,000 half-yearly, or more than £300,000 per

amount. Though very conservatively distributed, the net profit of the twelve months to June 30, 1914, of £339,145 sufficed to pay dividends for the year aggregating 45% on the Company's capital of £600,000, calling for £270,000; £25,000 was placed to reserve, and the carry forward was increased from £22,113 to £60,334. This cautious distribution of profits was a lucky thing for the undertaking, for when the War came in August 1914 it found the Company in great financial strength. This will be seen from the following statement:—

*Surplus Liquid Assets.*

	1915	1914	June 30, 1914
<i>Assets</i>			
Current assets	121,809	121,809	121,809
Surplus funds	121,809	121,809	121,809
Transit	121,809	121,809	121,809
Stocks, Bonds, &c.	121,809	121,809	121,809
Total	243,618	243,618	243,618
<i>Liabilities</i>			
Surplus funds	15,897	15,897	15,897
Current liabilities	1,500	1,500	1,500
Transit	1,500	1,500	1,500
Total	17,397	17,397	17,397
Surplus liquid assets	226,221	226,221	226,221

In view of the fact that the output of the mine was entirely dependent upon smelter capacity, energetic measures were taken to increase same. The Broken Hill Associated Smelters' Proprietary was formed in the first half of this year, the North Broken Hill Company, by means of a Debenture issue of £200,000, participating in the financing. This new smelting Company took over the plant and equipment at Port Pirie previously belonging to the Broken Hill Proprietary, and a programme for the extension of the output capacity of the smelters was immediately proceeded with. By the end of this year it is expected that the new smelting Company will be in a position to deal with more than the whole of the lead concentrate output of the four associated companies who own the capital.

It is necessary to bear these facts in mind when judging the recent progress and the future outlook of the North Broken Hill. The reduction of operations to about half the normal capacity, brought about on the outbreak of the War, continued until about the middle of February last, when full-time working was resumed. On June 1, however, it was advised that owing to the heavy stock of concentrates and production exceeding the requirements of the smelters it had been decided to reduce the output by closing down alternate weeks, commencing June 7. This half-time working remained in force until the middle of July.

	Half-Year ended—	Half-Year ended—	Half-Year ended—
	June 30, 1915	Dec. 31, 1914	June 30, 1914
Ore treated (tons) ...	123,455	102,735	156,020
Concentrates produced (tons) ...	24,430	19,063	27,550
Total working costs (per ton) ...	18 1	19 5	17 10
Average price of lead (per ton) ...	£21 0 9	£18 13 9	£18 13 10
Net profit ...	55,210	55,790	168,195
To reserve funds ...	20,000	20,000	15,000
Dividends paid ...	35,210	35,790	168,195
Brought forward ...	96,121	60,534	42,139
Carried forward ...	101,331	96,121	60,334
Price of £1 shares end of period ...	42 0	41 0	52 6d
Present price of shares, 38s.		Price of lead, £23.	

Full-time operations recommenced on July 18, and have continued to date. Thus it will be seen that there has been a rapid recovery from the great curtailment of operations at first resulting from the War. In the half-year prior to the War to June 30, 1914, the lead mill treated 156,020 tons of crude ore for a production of 27,550 tons of concentrates. In the following half-year to December 31, 1914, during which the outbreak of the War occurred, 102,735 tons of ore were milled and 19,063 tons of concentrates were produced. For the first half of 1915, according to cable advice published last week, 123,455 tons of crude ore were treated for an output of 24,430 tons of concen-

trates. Naturally, in view of the smaller production, working costs per ton at first increased, but it is satisfactory to note that the figures for the latest half-year show appreciable reduction to the neighbourhood of the pre-War costs. This being the case, one might have expected that the much larger output of the past half-year, in the circumstances of a much higher average price ruling for lead, would have yielded the Company a considerably increased profit; but the official figures show that this was not so, as will be seen from the above comparison of the working results.

An explanation for the smaller profit of the past half-year is that the basis on which the product is now disposed of is entirely different to what it was before the War. It is probable that the cost of realisation in Australia is much higher than it used to be when the concentrates were disposed of to the Continent. Then, again, it is probable that the Company does not receive payment on the basis of the average price during the period of production, but obtains the actual money—less smelting, &c., charges—the production will fetch after it has been smelted and turned into marketable bullion. Presuming this to be the case, it means that some—possibly a large—portion of the past half-year's output would be on hand and in transit, and the profit on it would not, consequently, be taken credit for in the accounts covering the period of production. As we have shown, the liquid assets at the end of 1914 included £121,809, as representing the value of products on hand or in transit, and this item did not appear before the War. As the smelting capacity of the Port Pirie plants is increased and catches up the production of the mines, the item of products on hand and in transit should become considerably reduced, with corresponding benefit to the profit and loss account. Perhaps in addition the cost of smelting, refining, and realisation will in time also be reduced.

As regards the current half-year, the mill has been working full time except for one week. Consequently, in the 11 weeks' period to September 11 12,500 tons of concentrates have been produced, against 24,430 tons in the 26 weeks of the previous half-year. If this higher rate of output is maintained—and in this connection it should be remembered that the Port Pirie smelters are expected by the end of the year to be able to deal with more than the full capacity of the associated companies—it is probable that the profit results to be shown by the report and accounts of the half-year ending December 31 next, and succeeding half-years, should exhibit considerable improvement. In the past two half-years, which were distinctly poor periods, in which operations were greatly disorganised and curtailed, the rate of profit earned has been £110,000 per annum, or equal to 17½% on the Company's capital. It is true that the Company has recently raised £200,000 of 6% Debentures, but then these will be represented by a large interest in the smelting enterprise. During the first year of war only one dividend of 5% was paid, against the previous year's distribution of 45% per annum. But the financial position of the Company has kept very strong, despite the necessity temporarily to finance outputs. Another dividend of 5% was paid last month. As soon as there is ability to maintain continuous full-time operations, with adequate smelting accommodation and an unrestricted market for the product, the profits and dividends of the Company should again reach high figures. The mine has proved a very fine one, huge ore reserves are in sight, and development prospects are good. When normal conditions are restored, therefore—already the progress in this direction is appreciable—the present price of 37s. 6d. for the £1 shares will be considered very low indeed.

*Highest and Lowest Prices of £1 Shares.\**

	1910	1911	1912	1913	1914	Present Price
Highest ...	37 6	37 6	35 5	51 9	59 6	38 0
Lowest ...	22 1	27 1	33 9	40 0	45 0	—

\* On the basis of the present capital of £600,000.

## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 15, 1915.

## Issue Department.

Notes Issued.....	£81,750,170	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	63,300,170
	£81,750,170		£81,750,170

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities .....	£34,418,357
Reserve .....	3,723,902	Other Securities .....	144,954,908
Public Deposits .....	121,574,686	Notes .....	50,234,825
Other Deposits .....	80,188,083	Gold and Silver Coin .....	437,667
Seven-day and other Bills .....	26,084		

£230,045,755

£230,045,755

## Comparison with Previous Five Weeks.

(In £'s sterling—00,000's omitted.)

Date	Active Circulation	Cash Depts.	Deposits Public	Deposits Other	Securities Govt.	Securities Other	Re-serve	Ratio Reserve to Liabilities.	Bank Rate	Three Months' Bills
1914.										
July 29	£7	£38.1	£12.7	£54.4	£11.0	£47.3	£26.9	40.03	4	42
1915.										
Aug. 11	32.5	65.7	142.6	85.1	45.9	148.1	51.7	22.71	5	4½
" 18	31.9	67.1	102.7	124.6	45.6	148.2	53.6	23.58	—	4½
" 25	31.8	67.3	134.1	89.5	45.6	142.1	53.9	24.13	—	4½
Sept. 1	32.3	68.4	137.9	87.9	44.4	145.1	54.6	24.16	—	4½
" 8	31.8	67.5	129.6	85.9	34.4	145.2	54.1	25.11	—	4½
" 15	31.6	63.7	121.5	90.1	34.4	145.0	50.6	23.93	—	4½
July 30, '14 to 4%										
July 31, '15 to 4%										

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.					
Total to Aug. 18 ..	147,253,254	96,166,808	51,086,446	28,500,000	55.8
Week to .. 25 ..	5,339,090	2,224,044	54,201,492	28,500,000	62.5
" Sept. 1 ..	5,593,477	2,047,935	57,747,034	28,500,000	49.3
" " 8 ..	5,246,411	2,149,883	60,843,562	28,500,000	46.8
" " 15 ..	8,731,433	2,423,541	67,151,454	28,500,000	42.4

## II.—Balance Sheet, September 15, 1915.

Notes outstanding—	£	Advances—	£
One Pound .....	50,314,433	Scottish & Irish Banks of Issue .....	214,000
Ten Shilling .....	16,237,021	Other Bankers .....	481,000
Certificates outstanding .....	600,000	Trustee Savings Banks .....	28,500,000
Investments Reserve A/c .....	443,299	Currency Note Redemption A/c .....	17,700,000
		Gold Coin and Bullion .....	28,500,000
		Government Securities .....	20,699,753
		Balance at Bank of England .....	20,699,753
Total .....	67,594,753	Total .....	67,594,753

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Arrivals.	Withdrawals.
1915.		
Sept. 9, Thursday ..	Nil.	25,000 Straits.*
" 10, Friday ..	Nil.	100,000 Egypt.*
" 11, Saturday ..	Nil.	1,492,000 Foreign coin.
" 13, Monday ..	Nil.	200,000 bars.
" 14, Tuesday ..	100,000 sovs.†	200,000 Spain.
" 15, Wednesday ..	2,000,000 Foreign coin.	2,390,000 U. S. A.
	775,000 sovs.	50,000 Switzerland.*
		50,000 bars.
		250,000 U. S. A.
		100,000 Egypt.*
		300,000 Egypt.*
		75,000 Straits.*
Total for week ..	2,875,000	5,232,000
Net aggregate ..	[2,357,000 efflux for week.]	
Sept. 16, Thursday ..	10,000 bars.	291,000 bars.
" 17, Friday ..	50,000 sovs.†	100,000 Egypt.*
		102,000 Foreign coin.
		10,000 sovs. Canada.

\* Set aside.

† Released.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

Bank of England (in £'s sterling, 00,000's omitted):	1905	1912	1913	1914	1915
Circulation .....	£29.2	£28.5	£28.7	£34.6	£31.5
Public Deposits .....	11.7	15.9	9.6	18.6	121.5
Other Deposits .....	42.0	46.4	42.6	135.0	90.1
Government Securities .....	18.7	13.4	12.4	25.7	34.4
Other Securities .....	28.9	35.6	26.3	113.8	145.0
Reserve .....	24.5	31.5	31.8	32.5	50.6
Ratio to Liabilities .....	45½%	50.64%	60.75%	21.18%	23.90%
Bullion (both Departments) ..	35.3	41.6	42.0	48.7	63.7
Money:—					
Bank of England Rate .....	3%	4%	4½%	5%	5%
Bank of France Rate .....	3%	3%	4%	5%	5%
Rate 3 months' Bills London ..	2½%	3½%	4%	3½%	4½%
Exchanges					
Paris Cheque .....	25 17	25 28½	25 25	nom.	27 69
Hamburg 8 days .....	20 44½	20 45½	20 41	nom.	
New York 60 days .....	4 82½	4 82½	4 82	nom.	4 66.50
Bombay Telegraphic Transfers	1/4½	1/4½	1/4½	1 3½	1/4
Prices:					
Consols 2½% Cash .....	89½	74½	73½	69½	65
French Rente 3% Money .....	100 35	91 30	89 02	75	67.25
Silver, London spot .....	-22½	-22½	-22½	-23½	-23½
Wheat, Gazette average .....	27/1	33/5	31/9	37/10	43/0
Cotton, Mid Upland .....	-5/53	-7/62	-7/66	-5/80	-6/44
Iron, Scotch pig .....	53/0	73/3	60/4½	51/0	70/10½

## ARGENTINA.—Gold in Caja de Conversion.

Aug. 11, 1915 .....	Pesos 232,291,204
July 28, 1915 .....	230,214,520
Dec. 31, 1914 .....	221,703,321
Dec. 31, 1913 .....	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversão.

Aug. 21, 1915 .....	£5,476,391
July 3 to Aug. 17 .....	5,635,846
Dec. 31, 1914 .....	9,230,525
Dec. 31, 1913 .....	18,400,501
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

† Last Return before the War.

DENMARK.	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914† ...	£4,100	£341	£4,441	£8,197	£786	£8,893	£47
July 31, 1915 ...	5,948	300	6,248	4,579	2,087	11,352	949
Aug. 31, 1915 ...	5,948	309	6,255	3,808	2,912	11,293	647
Aug. 31, 1914 ...	3,829	144	3,973	8,175	1,395	10,788	625
Aug. 30, 1913 ...	—	—	4,154	4,816	1,111	8,036	53

FRANCE.	Gold.	Cash-Silver.	Total.	Bills.	Circula-tion.	Public Deposits.	Private Deposits.
Sept. 2, 1915 ...	£173,054	£14,669	£187,723	£11,350	£522,400	£1,232	£99,983
Sept. 8, 1915 ...	175,098	14,572	189,670	10,569	523,921	2,291	99,160
Sept. 18, 1915 ...	177,602	14,566	192,067	8,808	530,681	3,035	101,652
July 30, 1914† ...	185,854	25,013	210,867	97,768	267,327	15,302	37,930
Sept. 18, 1913 ...	137,918	25,572	163,490	66,350	220,849	10,345	26,819

GER-MANY.	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14† ...	£82,680	£13,741	£96,421	£2,248	£114,164	£145,471	£82,923
Aug. 31, '15 ...	120,510	2,244	122,754	10,840	247,849	278,217	86,816
Sept. 7, '15 ...	120,692	2,125	122,817	13,030	254,008	277,994	98,401
Sept. 6, '14 ...	79,007	1,987	80,994	8,723	239,429	206,903	120,947
Sept. 7, '13 ...	56,565	13,575	70,140	3,305	49,416	93,719	30,816

HOLLAND.	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	De-posits.
Aug. 1, 1914† ...	£13,496	£249	£13,745	£13,422	£10,332	£36,660	£1,437
Sept. 4, 1915 ...	31,572	153	31,725	5,069	7,374	43,361	1,678
Sept. 11, 1915 ...	31,644	159	31,802	5,117	7,196	43,266	1,758
Sept. 12, 1914 ...	13,398	366	13,764	15,144	10,703	37,066	2,303
Sept. 13, 1913 ...	12,276	656	12,932	5,592	7,281	25,487	252

ITALY.	Gold.	Cash-Silver.	Total.	Other Cash.*	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14† ...	—	—	—	£48,456	£25,017	£69,204	£8,887
July 31, '15 ...	£45,884	£4,653	£50,517	7,770	40,196	111,885	27,731
Aug. 10, '15 ...	45,894	4,618	50,510	7,093	37,069	111,891	28,319
Aug. 10, '14 ...	—	—	—	£47,546	37,705	83,473	9,350
Aug. 10, '13 ...	—	—	—	£49,207	21,003	66,931	7,850

\* Including foreign gold bills, State notes, and small change.

JAPAN.	Cash.	Discounts.	Advances.	Notes.	Deposits.	Public.	Private.
Aug. 1, '14† ...	£21,867	£1,829	£7,883	£32,722	£13,818	£1,621	£1,621
July 31, '15 ...	21,481	701	6,553	32,349	18,608	2,201	2,201
Aug. 7, '15 ...	21,374	659	7,060	29,332	20,876	2,784	2,784
Aug. 8, '14 ...	21,788	1,615	7,890	30,227	16,307	1,376	1,376
Aug. 9, '13 ...	21,574	5,897	8,112	32,323	19,045	358	358

N. YORK BANKS & TRUSTS	Own Vaults.	Reserve In Depositories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
Aug. 1, '14† ...	—	—	£39,888	£411,238	£387,185	£8,316	£1,720
Sept. 4, '15 ...	£99,776	£34,736	£134,512	£30,918	£62,980	7,398	41,904
Sept. 11, '15 ...	101,114	33,663	£134,672	£33,338	£62,836	7,396	41,978
Sept. 12, '14 ...	—	—	79,486	£32,598	£34,068	24,904	Def. 7,014
Sept. 13, '13 ...	—	—	81,948	390,641	358,641	9,032	821

NORWAY.	Gold.	Balance Abroad.	Securities.	Dis-counts & Loans.	Circula-tion.	Deposits.
July 31, 1914† ...	£2,960	£1,678	£493	£4,868	£6,752	£793
Aug. 31, 1915 ...	3,519	3,898	784	4,136	7,937	1,766
Sept. 7, 1915 ...	3,453	3,720	784	4,075	7,893	1,731
Sept. 7, 1914 ...	3,059	1,289	498	6,477	7,597	1,141
Sept. 8, 1913 ...	2,549	1,760	504	3,910	5,863	457

RUSSIA.	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circula-tion.	Total Deposits.
July 21, '14† ...	£174,509	£7,383	£181,892	£6,589	£76,081	£163,411	£109,911
Aug. 28, '15 ...	185,627	3,673	189,300	7,768	349,459	409,234	140,417
Sept. 5, '15 ...	183,802	3,189	186,991	6,654	360,893	410,146	139,323
Sept. 5, '14 ...	172,713	5,711	178,424	8,261	134,899	251,738	98,019
Sept. 5, '13 ...	162,800	7,298	170,098	5,168	85,919	154,842	106,572

SPAIN.	Gold.	Cash-Silver.	Total.	Loans & Dis-counts.	Spanish 4%	Circula-tion.	Deposits, &c.
Aug. 1, '14† ...	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,965
Sept. 4, '15 ...	28,931	29,530	58,461	37,202	13,777	80,847	25,782
Sept. 11, '15 ...	29,355	29,480	58,835	40,880	13,777	80,856	26,059
Sept. 12, '14 ...	21,887	27,160	49,047	48,840	13,778	80,540	22,545
Sept. 13, '13 ...	18,698	29,665	48,263	40,040	13,778	75,850	18,385

Sept. 13 13...	10.50	29,805	46,265	40,040	19,717	17,777	18,900
<b>SWEDEN.</b>	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Discounts & Loans.	Circulation.	Deposits.	
Aug. 1, '14† ...	£5,717	£6,150	£1,655	£7,495	£13,432	£3,903	
Aug. 28, '15 ...	6,289	5,603	2,734	5,838	14,877	4,899	
Sept. 4, '16 ...	6,301	5,718	2,702	5,728	15,889	4,073	
Sept. 5, '14 ...	6,736	3,373	144	9,059	15,678	3,554	
			1			583	

## II.—FOREIGN BANK RATES OF DISCOUNT.

		Current Rates		A Year Ago	
		Date Fixed	%	Date Fixed	%
Paris ...	...	Aug. 20, '14	5	Aug. 20, '14	5
Berlin ...	...	Dec. 23, '14	5	Aug. 1, '14	5
Amsterdam ...	...	July 1, '15	5	Aug. 20, '14	5
Brussels ...	...	Aug. 27, '14	5	Aug. 27, '14	5
Vienna ...	...	Apr. 17, '15	5	Aug. 20, '14	5
Petrograd ...	...	July 27, '14	5	July 27, '14	5
Rome ...	...	Nov. 8, '14	5	Aug. 3, '14	5
Madrid ...	...	Oct. 26, '14	5	Sept. 1, '14	5
Stockholm ...	...	Jan. 6, '15	5	Aug. 28, '14	5
New York (Fed. Res. Bank)	3-6	Feb. 4, '15	—	—	—

## III.—PUBLIC INCOME AND EXPENDITURE

(000's omitted.)

1915. Period	Receipts		Expenditures		Treasury		Treasury	
	Revenue	Loans	Supply Int. on	Debt A.L. vices	Balance	or -	Out-	standing
7 days to Aug. 28	2,571	16,288	26,579	11,743	38,322	86,570	-22,034	232,863
7 " Sept. 4	3,260	53,601	32,300	13,748	46,593	91,573	+ 7,005	235,050
7 " Sept. 11	3,743	19,189	33,384	347	38,337	74,724	-18,849	237,499
165 days to Sept. 11, 1915	90,061	824,682	552,057	281,341	833,408	74,724	-8,727*	+160,349*
166 days to Sept. 12, 1914	69,211	125,970	94,875	34,798	129,673	6,732	-3,703*	—

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

Course of Exchange.

LONDON ON—		Sept. 17, '15	Sept. 10, '15	Sept. 3, '15	Aug. 26, '15
Holland ...	3 mos.	11 70	11 15	11 14	11 17 1/2
—	Cable	11 50	11 54 1/2	11 47 1/2	11 66
Italy ...	3 mos.	29 95	30 40	30 37 1/2	30 60
—	Cable	29 55	30 00	29 85	30 05
Lisbon & Oporto	do.	35	35 1/2	36	36
New York ...	do.	4 70	4 78 1/2	4 69	4 63 1/2
—	Cheques	4 71 1/2	4 69 1/2	4 70 1/2	4 64 1/2
Paris ...	3 mos.	27 85	28 20	28 00	28 15
—	Cable	27 45	27 79 1/2	27 57 1/2	27 73 1/2
Petrograd ...	do.	139 1/2	135 1/2	136	136 1/2
Scandinavia ...	do.	8 12 1/2	18 17 1/2	18 02 1/2	18 15
Spain (Bank places)	3 mos.	46 1/2	46 1/2	46 1/2	46 1/2
—	Cable	24 85	24 95	24 90	24 85
Switzerland ...	3 mos.	25 25	25 40	25 27 1/2	25 52 1/2
—	Cable	24 85	25 00	24 80	20 07 1/2

Foreign Rates of Exchange on London, &amp;c.

		Sept. 17, '15	Sept. 10, '15	Sept. 3, '15	Aug. 27, '15
Alexandria ...	Sight	97 1/2 p.	97 1/2 p.	97 1/2 p.	97 1/2 p.
Amsterdam ...	Sight	11 1/2 s. p.	11 1/2 s. p.	11 1/2 s. p.	11 1/2 s. p.
Bombay ...	Transfers	1 s. 4 d.	1 s. 4 d.	1 s. 3 1/2 d.	1 s. 3 1/2 d.
Buenos Ayres ...	90 days	48 1/2 d.	48 1/2 d.	48 1/2 d.	48 1/2 d.
Calcutta ...	Transfers	1 s. 4 d.	1 s. 4 d.	1 s. 3 1/2 d.	1 s. 3 1/2 d.
Hong Kong ...	Transfers	1 s. 9 1/2 d.	1 s. 9 1/2 d.	1 s. 9 1/2 d.	1 s. 9 1/2 d.
Italy ...	Sight	29 1/2 s. 50 c.	30 1/2 s. 50 c.	29 1/2 s. 90 c.	30 1/2 s. 10 c.
Lisbon ...	Sight	35	35 1/2	36	36
Madrid ...	Sight	24 p. 90	24 p. 92 1/2	24 p. 90	24 p. 85
Montevideo ...	90 days	52 1/2 p.	52 1/2 p.	52 1/2 p.	52 1/2 p.
Montreal ...	Cables	24 71 1/2	24 75 1/2	24 69	24 63 1/2
New York ...	Sight	24 70 1/2	24 69 1/2	24 66 1/2	24 63 1/2
—	60 days	24 66 1/2	24 65 1/2	24 63 1/2	24 60 1/2
—	Cables	24 71 1/2	24 70 1/2	24 67 1/2	24 64 1/2
—	on Paris	5 89 1/2	5 96 1/2	5 94 1/2	5 98 1/2
—	on Berlin	82 1/2 c.	82 1/2 c.	80 1/2 c.	81 1/2 c.
—	on Amsterdam	40 1/2 c.	40 1/2 c.	39 1/2 c.	39 1/2 c.
—	on Mexico Silver	38 c. U.S.	38 c. U.S.	38 c. U.S.	37 c. U.S.
Paris ...	Cheques	27 1/2 s. 74 c.	26 1/2 s. 86 c.	27 1/2 s. 74 c.	27 1/2 s. 62 1/2 c.
Petrograd ...	Sight	139	136	135 1/2	135 1/2
Rio de Janeiro ...	90 days	12 1/2 d.	12 1/2 d.	12 1/2 d.	12 1/2 d.
Scandinavia ...	Sight	18 kr. 10	18 kr. 17 1/2	18 kr. 12 1/2	18 kr. 12 1/2
Shanghai ...	Transfers	2 s. 3 1/2 d.	2 s. 3 1/2 d.	2 s. 3 1/2 d.	2 s. 3 1/2 d.
Switzerland ...	Sight	24 1/2 s. 50 c.	25 1/2 s. 02 1/2 c.	24 1/2 s. 02 c.	25 1/2 s. 05 c.
Valparaiso ...	90 days	8 1/2 d.	8 1/2 d.	8 1/2 d.	8 1/2 d.

\* Previous day's rates. † 10.30 a.m.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.		Inc. or Dec.*		1915 Agg.		Inc. or Dec.*	
		£	+	or -	%	£	+	or -	%
BIRMINGHAM ...	Sept. 11	1,540,532	+	505,011	61,337,969	+	4,809,730	+	8.5
BRISTOL ...	" 11	873,000	—	10,000	28,072,000	—	1,560,000	—	5.9
DUBLIN ...	" 11	3,894,806	+	824,860	135,469,700	+	13,750,000	+	11.3
LIVERPOOL ...	" 11	432,922	+	106,993	23,187,404	+	4,701,841	+	25.4
MANCHESTER ...	" 11	352,822	+	101,747	14,413,547	+	3,269,703	+	29.4
LONDON ...	" 11	5,129,954	+	2,168,258	199,516,845	+	31,049,344	+	18.4
NEWCASTLE ...	" 11	6,285,329	+	2,023,403	243,531,327	+	1,043,931	—	0.4
NOTTINGHAM ...	" 11	1,377,000	+	544,000	53,830,305	+	10,814,600	+	24.7
SHEFFIELD ...	" 11	335,578	+	84,779	12,931,014	—	859,972	—	4.8
—	" 11	422,795	—	88,238	21,878,181	—	3,116,987	—	16.7
LONDON—	1915.	(000's omitted from the London clearings.)							
TOWN ...	Sept. 15	211,990	+	66,117	7,834,947	—	2,049,090	—	21.0
METROPOLITAN ...	" 15	14,643	+	2,336	654,777	+	43,725	+	7.0
COUNTRY ...	" 15	27,974	+	5,968	1,100,978	+	122,282	+	12.5
TOTAL ...	" 15	254,607	+	74,391	9,430,602	—	1,882,093	—	16.6

The following special items are included in the London clearings:—

STOCK EXCHANGE	Settling Days.	CONSOLS		"FOURTH" OF THE MONTH.	
		1915	1914	1915	1914
Aug. 12	£	43,164	—	45,882	—
Aug. 27	£	42,899	—	45,063	—
Sept. 15	£	45,083	—	39,722	—
1915 Agg.	£	701,388	—	411,952	—

\* Compared with a year ago.

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

	SEPT. 18.	1915.	1914.*	1913.
<b>METALS, MINERALS, &amp;c.</b>				
Iron—Scotch pig warrants	ton	70/10 1/2	51/0	60 1/4
—Middlesbrough warrants	ton	64/9	51/0	54 1/4
—Hemphrey warrants	ton	95/0	88/0	87/3
—Staffordshire bars, London	ton	£11 12/6	£9	£9 10
—Common bars, London	ton	142 3/4	99.031	178 1/8
—Stock, Middlesbrough	ton	£9 2/6	£8 15	£8 12/6
Steel Rails	ton	£89 2/8	£52 10	£73
Copper—Standard	ton	39.237	34.908	34.048
Copper—European, 1st, Avg.	51tons	£153	£137	£195
Tin—English ingots	ton	£153 10	£137	£195
—Straits	ton	17/7 1/2	14/6	14/3
Tinplates—Coke 1st	box	£23 5	£19 15	£20 10
Lead—Soft Foreign	ton	£70	£60	£81
Spelter—Ord. Foreign	ton	£18	£16 1/2	£17 5
Quicksilver—(75lb.)	bottle	£180	£190	£191
Aluminium	ton	£36	£34	£28 10
Antimony—Residue	ton	nom.	21/6	20/3
Coal—Steam (best) for lift	ton	18/0	13/8	15/0
—(best) Newcastle	ton			
<b>CHEMICALS, OILS, &amp;c.</b>				
Nitrate of Soda—Chemical	wt.	13/8	11/3	11/3
Soda—Crystals ex ship	ton	£2 2/8	£2 5	£2 2/8
Cochineal—Teneriffe Silver	lb.	1/9	2/0	1/10
Copra—Malay & Straits	ton	£22 7/6	£31 12/8	£32 8/3
Gambier—Good marks	ton	34/0	18/10 1/2	18/0
Indigo—Bengal good to fine	lb.	12/8	15/8	3/0
Linsed Oil—Spot, barrels	ton	£28 17/6	£28 10	£23 10
Linseed—Calcutta, spot	410lb.	65/6	46/9	48/0
Olive Oil—Spanish	ton	£50	£55	£48
Palm Oil—Lagos	ton	£30 10	£32 10	£36 10
Petroleum—American	gallon	—	—	—
Rape Oil—Refined English	ton	£36	£35	£32
Soya Oil	ton	£23 5	£25	£28 17/6
Tallow—Aust. mixed	ton	35/0	27/6	33/0
Turpentine—Amer. Spirit	ton	34/8	31/6	30/8
Rape Seed—Toria	416lb.	52/6	51/6	47/6
Rubber—Para, spot	lb.	2/4	2/9	3/7 1/2
—Fine plantation (small) crepe	lb.	2/3	2/4	2/0
—World's Supply (small) crepe	lb.	2/3	2/4	2/0
Shellac—T. N. Orange, fair	wt.	19.035	21.500	17.819
	ton	70/0	55/0	99/0
<b>TEXTILES.</b>				
Cotton—Milling Upland	lb.	7/8 1/2	5/8 1/2	7/6 1/2
—Egyptian good fair	lb.	7/7 1/2	7/7 1/2	7/9 1/2
—Perambur, fair	lb.	6/4 1/2	8/33	7/7 1/2
—Mid. Upl. New York	lb.	10/9 1/2	10/7 1/2	13/40 1/2
—Stock, Liverpool, Sept. 10	bales	1.153.930	866.800	495.940
Flax—Petrograd, Yarnol	ton	£85	nom.	£34 10
Hemp—N. Zealand, good fair	ton	£33	£25 10	£30 5
—Munda, fair strips	ton	£38 10	£28 10	£30 5
Jute—First Marks, spot	ton	£28	£35	£33 10
—Red SOO	ton	£24	£32	£30 15
Silk—Blue Elephant	lb.	9/3	11/3	10/9
Wool—Pt. Philip unwashed	av. lb.	1/0	1/1	1/1
—Lionel Half Hoes	lb.	1/5	1/11	1/1
Hides—English Ox, 90lb. cover	lb.	1/1	1/1	1/1
Leather—Dressing Hides	lb.	2/1	2/1	1/4
<b>VEG. FOOD, CORN, &amp;c.</b>				
Wheat—Vis sup. U.S. Sept. 13 bus.	...	8,593,000	31,871,000	45,323,000
—Red, price, N.Y. 60lb. bushel	...	125 1/2	119 1/2	98 1/2
—English Galt, aver. 480lb. qr.	...	41/0	37/10	31/9
Flour—Lon. 1. Whites ex Mill 290lb.	...	44/0	39/0	30/0
Barley—Eng. Galt, aver. 400 lb. qr.	...	37 1/2	29 1/2	31/5
Oats—Eng. Galt, aver. 312lb. qr.	...	28/8	23 1/2	18/0
Maize—N.Y. (new bushel) 56lb.	...	nom.	85 1/2	82 1/2
—Amer. mixed, Liverpool 100lb.	...	8/11	7/11	5/2 1/2
—La Plata	...	8/11	7/11	5/2 1/2
Potatoes—Kents	...	75/0	81/0	77/8
Rice—Imports since Jan. 1, tons	...	32,240	20,553	9,371
—Deliveries do.	...	21,873	15,229	11,631
—Stock	...	17,341	9,719	5,105
—Price, Bassein	...	17/0	15/6	15/0
Tapioea—Pearl, medium	...	115/0	130/0	95/0
Hay—Best	...	25 15	28 5	29 9
Hops—English	...	25 15	28 5	29 9
<b>ANIMAL FOOD.</b>				
Beef—Argen chilled buttrs. 8lb	...	4/10	4/4	3/0
—Scotch sides	...	8/2	8/4	4/4
—English	...	5/8	5/8	3/9
Mutton—Scotch	...	6/0	6/4	4/10
—English wethers	...	5/8	5/8	4/0
—New Zealand frozen	...	4/9	5/0	2/9
Pork—English	...	6/6	7/0	4/4
Bacon—Irish	...	102/0	105/0	80/0
—Danish	...	102/0	107/0	76/0
Hams—Amer. long cut	...	72/0	78/0	63/0
—short cut	...	70/0	76/0	68/0
Lard—Amer. pails	...	49/8	54/0	59/6
Butter—Danish	...	178/0	190/0	132/0
—Siberian	...	108/0	133/0	90/0
—French	...	119/0	152/0	90/0
—New Zealand	...	—	94/0	112/0
—Australian	...	—	—	—
Cheese—Canadian	...	—	108/0	124/0
—New Zealand 1 (white)	...	74/0	72/0	85/0
—New Zealand 1 (white)	...	78/0	78/0	87/0
<b>SUGAR, COFFEE, TEA, &amp;c.</b>				
Sugar—Imports since Jan. 1 tons	...	445,293	499,506	652,499
—Deliveries do.	...	625,109	552,445	591,282
—Stock	...	42,710	48,972	117,089
—Price, Java, 96° Pol.	...	20/0	20/0	10/9
—Mauritius, crystals	...	24/8	28/0	15/0
—Tate's Cubes, No. 1	...	31/0	33/6	18/1
Coffee—Imports since Jan. 1 tons	...	52,278	40,484	31,312
—Home consumption do.	...	14,397	10,960	10,915
—Exports do.	...	18,125	18,819	14,568
—Stock	...	32,787	21,383	14,223
—Price Costa Rica and. to fine	...	75/0	84/0	80/0
—Brazil (Santos) spot	...	38/10 1/2	36/6	42/3
Tea—Imports (for 8 months) lb.	...	240,107,991	196,247,056	183,483,545
—Home consumption do.	...	217,214,322	215,643,881	200,504,329
—Exports do.	...	37,684,068	33,537,461	38,805,994
—Stock, Avg. 31	...	83,482,000	81,039,000	82,243,000
—Price, Indian, Pek.Song, good lb.	...	7/10 1/2	7/8 1/2	7/8 1/2
—Ceylon, Pek.Song, Ord.	...	7/8 1/2	7/8 1/2	7/8 1/2
—Common Congou	...	7/8 1/2	7/8 1/2	7/8 1/2
Cocoa—Grenada, good to fine	...	80/0	84/0	87/0

## VIII. TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Bel. & C. Down	Sept. 10	80	—	£3,577	+	175	36	138,667
Cork & N.W.	Sept. 10	103	—	2,233	+	55	36	74,933
Dublin & S.E.	Sept. 10	180	—	6,022	+	341	36	201,114
Gt. Northern	Sept. 10	581	—	25,355	+	3,255	36	834,525
Gt. S. & Western	Sept. 10	1,130	—	40,325	+	5,407	36	1,185,399
Mid. Gt. & West.	Sept. 10	638	—	13,454	+	815	36	468,854

\* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Assam Bengal	Aug. 7	882	+11	1,21,000	—	289	19	24,15,611
Barel Light	Aug. 14	118	—	4,100	—	4,500	20	4,52,000
Bengal & N.W.	Aug. 7	2,041	+13	2,90,480	—	62,629	19	69,67,468
Bengal Doars	Aug. 14	163	—	28,464	—	10,847	20	5,28,574
Beng. Nagpur	Aug. 14	2,695	+7	6,45,000	—	36,000	20	1,51,81,000
Bomb. Baroda	Sept. 11	2,859	+32	10,53,000	—	14,000	24	2,69,52,000
Burma	Aug. 7	1,342	—	2,76,801	—	88,120	19	70,21,945
East Indian	Sept. 11	2,718	—	17,70,000	—	2,42,000	24	4,82,56,000
Gt. Indian Pen.	Sept. 11	2,981	+15	13,99,100	—	3,12,400	24	3,58,83,410
Madras & S.M.	Aug. 14	3,132	—	7,40,000	—	76,634	20	1,78,30,432
Nizam's Guar.	Aug. 14	797	—	1,49,587	—	18,052	20	37,11,003
Rob. & Kumaon	Aug. 7	545	+1	52,147	—	2,655	19	13,92,244
South Indian	Aug. 14	1,763	+10	5,13,561	—	24,043	20	1,08,97,759
South Punjab	M. of Apr.	823	—	4,53,144	—	1,841	1	—

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Can. Northern	Sept. 7	4,965	+285	\$283,300	—	36,700	9	2,682,300
Can. Pacific	Sept. 7	12,921	+694	2,002,000	—	108,000	9	18,311,000
Gd. Trunk Pac.	Sept. 7	916	—	\$15,787	—	8,704	9	114,553
Grand Trunk	Sept. 14	4,008	—	171,053	—	14,673	36	5,644,638
Gd. Trunk W.	Sept. 14	336	—	31,233	—	2,322	36	1,045,086
Det. Grd. Ha.	Sept. 14	189	—	12,401	—	1,639	36	377,759
Mashonaland	M. of July	781	—	48,992	—	21,116	10	399,211
Mid. W. Aust.	M. of July	277	—	5,268	—	4,279	1	—
New Cape Cent.	Aug. 21	205	—	1,595	—	434	34	61,335
Rhodesia Rlys.	M. of July	1,397	—	83,638	—	13,491	10	636,711

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Alcoy & Gandia	Sept. 11	33	—	Pa. 11,000	—	37	452,700	—
Antofagasta	Sept. 12	819	—	34,050	—	17,200	37	881,955
Arauco	M. of June	844	—	6,250	—	712	6	37,875
Arg. N. East.	Sept. 11	762	+85	7,052	—	2,602	11	69,817
Arg. Transand.	Sept. 4	111	—	230	—	40	10	1,840
Bolivar	M. of Aug.	110	—	7,250	—	1,374	2	14,250
Brazil	M. of May	3,362	—	\$282,000	—	17,244	5	15,933,000
Paulista	M. of May	721	—	1,500,000	—	238,338	5	8,850,000
Mogiana	M. of May	1,131	+57	1,283,000	—	256,423	5	7,833,000
B.A. & Pacific	Sept. 11	3,535	+17	91,000	—	27,000	11	861,000
B.A. Gt. So.	Sept. 12	3,792	+63	83,000	—	20,000	11	845,908
B.A. Western	Sept. 12	1,887	+75	42,000	—	5,000	11	454,000
Cent. Argentine	Sept. 11	3,307	+45	114,000	—	12,800	11	1,174,800
Cent. Uruguay	Sept. 11	271	—	5,544	—	1,888	11	111,819
(E. Ext.)	Sept. 11	311	—	3,104	—	917	11	35,546
(N. Ext.)	Sept. 11	185	—	1,490	—	484	11	19,162
(W. Ext.)	Sept. 11	211	—	1,588	—	468	11	15,608
Colomb. Nat.	M. of May	86	—	5,812	—	2,923	5	47,412
Col. Rys. & Nav.	M. of June	854	—	15,955	—	6,837	12	243,722
Cord. Central	Sept. 11	1,186	—	30,300	—	12,250	11	371,550
Cuban Central	Sept. 11	364	+9	7,345	—	308	11	78,831
Dorada Ext.	M. of Aug.	71	—	9,900	—	100	8	6,700
Egyptian Delta	Aug. 20	819	—	3,978	—	350	20	65,981
Entre Rios	Sept. 11	730	—	9,100	—	2,000	11	93,800
Gt. S. of Spain	Sept. 4	104	—	57,337	—	10,281	36	2,088,213
Gt. W. Brazil	Sept. 11	1,010	—	6,800	—	800	37	349,400
La Guadalupe	M. of Aug.	23	—	6,750	—	3,000	8	54,750
Leopoldina	Sept. 11	1,806	+84	30,585	—	11,765	37	1,039,643
Manila North	Sept. 11	315	+10	3,727	—	304	37	197,009
South	Sept. 11	866	+81	5,535	—	1,878	37	138,394
Mid. Uruguay	M. of Aug.	319	—	12,553	—	6,099	27	22,766
Nitrate (2 wks.)	Aug. 31	308	—	19,802	—	6,419	35	205,466
N.W. Uruguay	M. of Aug.	113	—	25,000	—	8,257	27	46,500
Paraguay Cent.	Sept. 11	265	—	476,000	—	232,000	11	4,443,000
Peruvian Corp.	M. of Aug.	1,059	—	819,039	—	164,095	21	1,543,877
Puerto Cabello	M. of July	24	—	3,000	—	26,378	7	28,168
Salvador	Sept. 11	100	—	15,750	—	—	11	227,750
San Paulo	Sept. 5	1,634	—	32,217	—	15,634	10	368,912
Taitai	M. of Aug.	184	—	18,218	—	1,253	21	26,378
U. of Havana	Sept. 11	881	—	24,197	—	4,673	11	248,999
Urug. Northern	M. of Aug.	73	—	1,745	—	446	21	3,532
W. of Havana	Sept. 11	147	—	4,711	—	11	11	52,923
Zafra & Hiva	M. of Aug.	112	—	9,813	—	542	8	62,817

## TRAMWAYS.

Company.	Wk. end'd	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Anglo-Argentine	Sept. 9	389	+21	£49,469	—	4,171	36	1,832,941
Auckland (4 wks)	Aug. 27	251	—	19,876	—	1,170	8	42,029
Brazil'n Tract'n	M. of June	30	—	8,591,940	—	403,040	6	37,684,110
Briabane Electric	M. of Aug.	30	—	35,064	—	1,892	8	244,714
Bristol	Sept. 10	31	—	10,064	—	1,236	36	346,168
British Columbia	M. of July	242	+61	510,723	—	179,300	1	—
Calcutta	Sept. 11	351	—	88,862	—	386	37	23,86,269
Cape Electric	M. of Aug.	42	—	17,640	—	2,704	21	34,982
Carth. & Herr.	M. of Aug.	8	—	1,523	—	1,235	8	14,328
Cork Electric	Sept. 9	91	—	1,058	—	74	36	39,254
Dublin United	Sept. 10	542	—	6,560	—	533	36	221,284
Havana Electric	Aug. 1	1	—	51,038	—	2,148	31	1,676,577
Isle of Thanet	Sept. 11	231	+11	888	—	247	51	21,222
Kalgoolie	M. of June	204	—	2,707	—	15	61	16,179
Lanarkshire	Sept. 9	281	—	2,251	—	350	36	69,825
London O. C.	Sept. 8	141	—	48,130	—	4,589	23	1,000,449
Madras Electric	Sept. 15	1	—	30,845	—	3,588	37	499,757
Manila Electric	M. of July	211	—	123,760	—	10,160	7	847,763
Provincial	Sept. 11	211	—	2,762	—	471	49	107,597
Rangoon Electric	M. of Aug.	25	—	4,510	—	119	8	38,884
U. of Montevideo	M. of Aug.	80	—	26,493	—	418	10	278,346
Yorks. W. Riding	Sept. 12	24	—	1,746	—	352	37	68,999

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian soles. (e) Data compiled by the New York Commercial and Financial Chronicle covering 240,219 miles of road. (f) Aggregate of New York Chronicle's monthly compilations. (M) Mileage. (\*) Compared with previous year. (†) Months. (‡) Track miles. (¶) Includes Detroit, Grand Haven and Milwaukee Railway. (‡) No. of cars. (††) Includes Wisconsin Central.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -
453 Cos. (000's omitted)	June to June	\$248,850	+	\$1,314	+
Alabama Gt. Southern	July	402,000	—	11,000	—
Ala. New Or. Tex. & Pac.	July	4,776,000	—	649,000	—
Ala. & Vicksburg	July	124,000	—	10,000	—
New Orleans & N.E.	July	1,623,000	—	375,000	—
Vicks. Shreve. & Pac.	July	293,000	—	40,000	—
Atchison, Top. & S.F.	July	3,664,000	—	668,000	—
Atlantic Coast Line	July	121,000	—	15,000	—
Baltimore & Ohio	July	1,417,000	—	424,000	—
Canadian Northern	July	10,422,000	—	813,000	—
Canadian Pacific	July	117,665,000	—	6,558,000	—
Chesapeake & Ohio	July	2,177,000	—	381,000	—
Chicago & N. Western	July	31,536,000	—	8,295,000	—
Chic. Burl. & Quincy	July	8,671,000	—	624,000	—
Chicago Great Western	July	91,815,000	—	7,349,000	—
Chic. Mil. & St. Paul	July	1,206,100	—	388,200	—
Chic. Rock I. & Pacific	July	17,225,000	—	8,475,000	—
Ch. St. P. Min. & Omaha	July	7,885,000	—	2,587,000	—
Clev. Cin. Chic. & St. L.	July	98,865,000	—	30,950,000	—
Colorado & Southern	July	3,643,000	—	378,000	—
Cuba Railroad	July	89,463,000	—	2,004,000	—
Delaware & Hudson	July	7,069,000	—	251,000	—
Denver & Rio Grande	July	83,580,000	—	4,220,000	—
Erie Railroad	July	7,375,000	—	487,000	—
Grand Trunk Railway	July	91,125,000	—	2,562,000	—
Grand Trunk Western	July	1,129,000	—	46,000	—
Hocking Valley	July	12,739,000	—	445,000	—
Illinois Central	July	8,219,000	—	394,000	—
Kansas City Southern	July	91,435,000	—	2,175,000	—
Lehigh Valley	July	5,672,000	—	364,000	—
Louisville & Nashville	July	70,942,000	—	2,266,000	—
Michigan Central	July	1,433,000	—	147,000	—
Min. St. P. (Soo) System	July	18,197,000	—	373,000	—
Miss. Kansas & Texas	July	3,163,000	—	16,000	—
Missouri Pacific	July	20,206,000	—	475,000	—
New York Central	July	1,108,000	—	18,000	—
N.Y.N. Haven & Hart.	July	14,090,000	—	868,000	—
N.Y. Ontario & Western	July	420,000	—	38,000	—
Norfolk & Western	July	6,207,000	—	42,000	—
Northern Pacific	July	2,045,000	—	49,000	—
Pennsylvania System	July	12,827,000	—	81,000	—
E. of Pittsburg	July	2,002,000	—	1,000	—
W. of Pittsburg	July	21,823,000	—	1,770,000	—
Pitts. C.O. & St. Louis	July	5,673,000	—	254,000	—
Phila. & Reading Ry.	July	35,288,000	—	1,425,000	—
Phila. & R. Coal & Iron	July	6,793,500	—	451,800	—
Seaboard Air Line	July	4,840,650	—	425,000	—
Southern Pacific	July	130,700	—	5,300	—
Southern	July	846,000	—	10,550	—
Union Pacific	July	58,588,000	—	982,000	—
Wabash	July	67,134,000	—	9,689,000	—
Western Pacific	July	543,000	—	92,000	—



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# The Statist.

LONDON, SATURDAY, SEPTEMBER 18, 1915.

## THE VOTE OF CREDIT.

**£5,000,000 PER DAY.**

No financial statement ever made in the House of Commons can compare in importance to that made by the Prime Minister this week in moving for another Vote of Credit to meet expenditures arising out of the War. The amount of the Vote was for £250,000,000, raising the sum voted this year for war purposes to £900,000,000, and increasing the total sum voted for war to £1,262,000,000. But the importance of the matter did not lie in the amount of the Vote, it was contained in Mr. Asquith's statement as to the actual expenditures upon the War so far in the current fiscal year and as to the future cost of the War. Up to July 17 the average expenditure was £2,900,000 per day, while from July 18 to September 11 it was no less than £4,200,000 per day. This included advances to the Allies and other outgoings, but after making allowance for these the net expenditure upon the War up to the middle of July was about £2,750,000 a day, and since then it has been no less than £3,500,000 per day. Moreover, the Prime Minister informed the House that the Government had promised advances to other countries which cannot now be much less than £250,000,000, and which by no means have reached their ultimate limit. And with these great advances the expenditure on munitions is increasing rapidly. The total expenditures of the nations are thus rising in a manner that demands attention. We are spending great sums on the Navy, still greater sums on the Army, we are now making munitions at a rapid rate, and beyond all this we are lending vast sums of money to our Allies. The greatness of our present expenditure was explained by the Prime Minister in these words: "I do not like to commit myself to anything in the nature even of an approximate estimate, but I think we are justified in assuming that the weekly average, when everything is taken into account, will not exceed £35,000,000 gross." That is to say, the country's expenditure, including loans to Allies, is now at the rate of about £1,800,000,000 a year—truly a figure so great that it is difficult even for the trained mind to appreciate its magnitude.

Fortunately in the current year the expenditure will not reach this great sum. Up to the middle of September the expenditure has been £573,000,000, and if the outlay is now at the rate of £5,000,000 a day the total expenditure for the current fiscal year will be £1,583,000,000. This is apart from the repayment of £160,000,000 already made to the Bank of England. The revised estimates of expenditure for the current year, as indicated by the Prime Minister, are:

### Expenditures, 1915-16.

	£	Per Day
Actual		
April 1 to July 17	258,473,000	2,840,000
July 18 to Sept. 11	514,591,000	4,300,000
Actual to Sept. 11	773,064,000	3,500,000
Estimated Sept. 12 to Mar. 31	1,010,000,000	5,000,000
Total to Mar. 31	1,583,064,000	4,526,000

Mr. Asquith gave various details of the actual war expenditure of £500,000,000 since the beginning of April, and we are able to obtain a very clear idea of the purposes for which an expenditure of £573,000,000 up to date has been made.

### Expenditures, April 1 to September 11.

	£
Permanent Charge of Debt	12,102,000
Interest on War Debt	4,277,000
Reparations and Pensions	694,000
Local Taxation, Excesses	3,117,000
Other Consolidated Debt	800,000
Civil Service, &c.	52,167,000
War Expenses	
Army and Navy	371,700,000
Bank of England	50,000,000
Loans to Government	30,000,000
Loans to Allies	28,000,000
Food Supplies	16,500,000
Railways	1,100,000
Miscellaneous	2,600,000
Total War	499,300,000
Aggregate	573,364,000

Including the repayment of £160,000,000 to the Bank of England over and above the £50,000,000 contained in the above statement of expenditure, of nearly £10,000,000 of securities issued under the War Loan Act, 1914, and of £16,000,000 of Exchequer bonds, the aggregate disbursements of the Exchequer since April 1 have reached the vast total of £760,000,000 in round figures. On the other hand, the instalments upon the War Loans, the net sum received from the issue of Treasury bills, and the revenue, have given receipts of £752,000,000. The receipts and payments of the Treasury since the beginning of April last have been as follows:—

### Receipts and Payments of the Treasury, April 1 to September 11, 1915.

	£	£
Revenue to September 11		30,000,000
War Loan 1915-16		35,798,000
Exchequer Bonds 1915		242,000
War Loan 1914-15		160,000,000
Treasury Bills		160,543,000
Total		752,443,000
Expenditure to September 11	573,364,000	
Repayment to Bank of England	160,000,000	
Exchequer Bonds retired	16,000,000	
Disbursements under War Loan	9,715,000	
Total		759,022,000
Surplus		7,453,000

Should the expenditure of the year amount to £1,600,000,000, there will remain over £1,000,000,000 of money yet to be found. Towards providing this sum the cash in hand is £75,000,000, the remaining instalments on the War Loan will provide £158,000,000, and approximately £187,000,000 of revenue will be received by the end of next March. The total cash in hand and provided for is thus £410,000,000, and £600,000,000 has still to be raised. The calculation is as follows:—

### Cash Position, September 11, 1915.

	£	£
Estimated expenditure, year to March 31, 1916		1,583,000,000
Expenditure to September 11, 1915		573,000,000
Balance		1,010,000,000
Cash in hand		75,000,000
War Loan balance		158,000,000
Balance of revenue, estimated		187,000,000
Total available in hand		410,000,000
Balance still to be provided		600,000,000

As to whether or not the War will continue for another fiscal year no definite opinion can be formed. If it does, and the nation's expenditures, including loans to Allies, reach £5,000,000 a day, the aggregate sum that will have to be provided will be no less than £1,825,000,000, while the existing revenue is no more than £267,000,000.

In view of these vast expenditures the proposals of the Chancellor of the Exchequer next week are eagerly, indeed anxiously, awaited. No one with a knowledge of the financial resources of this country can doubt our ability to meet even these gigantic outlays, but it is obvious that the work of making our resources available for the War must now be undertaken in real earnest. These resources do not consist so much of gold or of securities as in the power of the country to meet its great War expenses by domestic economies. One realises, of course, that something like half the nation will be maintained by means of these great expenditures, and that in a large measure War expenditure is merely displacing ordinary luxury expenditures, and that the net addition to the expenditure of the country is nothing like as great as £5,000,000 per day. The Prime Minister informed the House that nearly 3,000,000 men had been called to the Colours since the War began, and that the number of persons now employed by the Government in making munitions is no less than 800,000. But beyond the persons directly employed great numbers are engaged in manufacturing goods of all kinds and descriptions required by the Government. Hence it is evident that a large part of the nation is now engaged by the Government or derives its income and support from the Government expenditures. Indeed, if Governmental expenditures had not replaced what may be termed superfluous private outlays it is obvious that the existing War outlays could not be met. But when allowance is made for the transfer of expenditure it is evident that the Government outlays can only be met by the exercise of the utmost economy by everyone; and that unless economy is effected our indebtedness to foreign nations will become unduly great.

The reception accorded to the Anglo-French mission to the United States has been all that could be wished. Not only has the American Government raised no objection to the issue of a loan for the purchases of American goods, but it is reported that certain great international banking houses, which hitherto have been generally regarded as pro-German, are disposed to participate in the loan on the grounds that the loan is essential to American welfare and to American prosperity. Should the United States be willing to take payment in securities for goods supplied to belligerents, the degree of economy imposed on the British people will not be as great as otherwise will be necessary. But when every allowance is made for possible loans from other nations, it is evident that domestic expenditures must be curtailed if the great Government expenditure of some £1,500,000,000 in the present year and of some £1,800,000,000 next year is to be met. Should the Chancellor of the Exchequer display the courage he is expected to display, and place taxation upon everyone capable of bearing it without loss of efficiency, no difficulty whatever will be experienced in covering the existing vast expenditure. Never was a nation more willing to deny itself and to provide all the money needed to ensure victory than is the British nation to-day.

## BORROWING FOR WAR.

WHATEVER else is uncertain about the measures of finance to be announced next week, we can at least be sure of one thing—that they will leave plenty of money to be found by borrowing. So far, in fact, this war has been distinguished from its forerunners in this, as in many other respects—namely, the enormous proportion of its cost that the nations engaged are finding by issuing promises to pay. Germany is paying for the War wholly by drawing on the future, and we are paying, so far, for over 90% of its cost by the same attractive method. Presumably the Finance Ministers thought when the War began that the cost of it was so huge that all the old-fashioned standards had to be abandoned, and that since any attempt at taxation was bound to be relatively small, it was as well to leave it alone. Dr. Helfferich, the German Minister of Finance, in his recent speech practically made this his excuse for his whole-hearted adoption of the borrowing method, coupled with his reluctance to add to the burdens of the people during the War. This frank admission seems to indicate that Germany's boasted confidence in the support of its citizens is less secure than it would like other people to believe. If the Government fears to tax, the earnestness of the people, and its willingness to make sacrifices for the Fatherland, does not seem to survive an obvious and practical test. Our Government, at least, not only has taxed, but has been asked by an influential deputation to tax more; and we hope next week to see that it is doing so with vigour and decision.

But since borrowing is Germany's only method, and is being freely used by us, it is worth while to consider what its effect really is on the Government and the nation and the citizen. The Government, of course, achieves an object which is always dear to politicians—it gets over an awkward difficulty without endangering its own popularity or disturbing the equanimity of the citizens. It has to have an enormous sum of money; instead of taking this sum out of the pockets of the people by taxation, it charms it out of them by a promise to pay it back some day, and to pay interest to them in the meantime. The result is a great encouragement to bad spending on the part of the Government. Since they are meeting expenditure by drawing bills on the future, a great incentive to care in the handling of their money is taken away from them, and the departments go on muddling away the nation's wealth in a manner that certainly would not be possible if the political chiefs knew that they had to take, here and now, from the citizens' pockets every penny that they spend.

When we consider the effect of borrowing on the nation's financial position, it is at once obvious that there is a very great difference between borrowing abroad and borrowing at home. When we borrow abroad we are, in the first place, encouraged in general extravagance, because we are enabled to buy abroad things that we should otherwise have had to produce at home, and since our productive power at home is limited we should thus have been forced to reduce consumption. In the second place, we are permanently impoverished, at least during the currency of the loan, because we have each year to send goods or services abroad to meet interest and sinking fund. We, being at present a great creditor country, take an annual toll of the rest of the world for interest on sums lent to other nations, and receive it in the shape of goods and services. Every million that we borrow abroad now will reduce this hold that we have on the rest of the world's production and leave us *pro tanto* less a creditor country, and less able to rely on a constant supply of food and raw materials shipped to pay interest due to us.

If the borrowing is done at home, as is the case with Germany, practically to the whole extent of its borrowing, and will be the case with us for the greater part of it, there is no impoverishment of the nation as

a whole, since the interest charge is collected by the taxpayer and returned to the stockholders. The most insidious evil connected with borrowing at home is the fact that it is almost certain to lead to credit inflation and an artificial rise in prices. This is bound to be the case except when the money lent to the Government is actually saved; when it is saved the lender hands over to the Government not only the money, but the goods and services that he goes without in order to save it. Instead of buying clothes and food and comforts for himself, he goes without them and hands the money to the Government, which spends it on clothes and food and powder and shot for the Army. Thus the commodities that the saving citizen goes without are handed over, in another form, to the fighting forces; there is no increased competition for goods and services, no rise in prices, and no inflation. But when the lending is not accompanied by saving these evils are bound to ensue. An obvious example is provided when banks subscribe to Government loans. The banks transfer cash to the Government, and for the time being the only change in their position is that they hold less cash and more Government stock among their assets, and no change is produced in their liabilities. As the Government pays the money out to contractors and others it comes back to the banks, being paid in by the contractors; the banks thus have got their cash back, and hold in addition the stock that they have bought, while their liabilities have been increased by the amounts paid in by the contractors. Thus there has been no saving, and the amount of banking credit, or buying power, in the hands of the public has been increased without any increase in the available supply of commodities; in other words, there is inflation and a rise in prices. The same result happens, in a different way, when the lender is not a banker, but a private subscriber, if, instead of saving what he lends, he borrows from his bank in order to subscribe. In this case there is no reduction in the subscriber's buying power. His balance at his bank remains the same; but he and his bank between them have manufactured a certain amount of buying power by a credit operation, and this is handed over to Government, which hands it on to a contractor, and again there is an increase in the buying power of the public without any increase in the supply of goods, and so increased competition for a limited supply raises prices. Much of the rise in prices that we have seen since the War has been due to this cause, and it is a serious hardship to the poor—not so much to the labouring classes—who, owing to the scarcity of labour, have been able to a great extent to protect themselves—as to the lower middle-class folk, whose struggle is always so difficult. Such are a few of the chief evils connected with the system of paying for war out of loans which must not be forgotten when we recognise its obvious conveniences. Great as the conveniences are, the evils are so real that the greatness of a Finance Minister who has to handle war's problems may still be measured largely by the extent to which he can persuade his Government to employ other methods.

### THE CHANCELLOR'S OPPORTUNITY.

As at present advised, we are to have the Budget early next week, and so before our next number appears the nation will know what its rulers have determined as to the amount that they will take out of its pockets in the form of taxes. It need not be said that this question is arousing the keenest possible interest. In fact, it is arousing so much interest that it might be inferred that it is in the power of the Chancellor to make the burden of war light or heavy. This he cannot do, but he can, by wise guidance, show us how to bear the weight most easily. If it were true that the extent to which we are going to be taxed is also the measure of the extent to which we shall have to stint

ourselves owing to the War, there would be every justification for the suspense with which the Chancellor's statement is awaited. But, unfortunately for us, the extent to which the War will deprive us of the good things of life does not depend at all on the Cabinet's decision, but on economic facts, which are by no means susceptible to political pressure or a desire to keep everybody in a good temper. On the whole, however, we are not at all sure that this is unfortunate, for the nation is tired of having the War pill sugared for it. It does not want to be kept in a good temper and humoured as if it were a child. It wants to be told the facts, and be shown the sacrifice that is required of it. This the pressure of economic necessity will do, very candidly and clearly, whatever the politicians may decide, and if we could now anticipate what economic necessity is going to tell us we should unfold a tale that would be even more instructive than the forthcoming Budget statement.

Lessons taught by economic necessity generally consist of homely platitudes, so homely and so platitudinous that they are usually forgotten; as, for example, the fact that two and two make four, which is often ignored by Stock Exchange speculators in times of rampant optimism. At the present moment, a platitude that it is unfashionable to recognise is the fact that for the purposes of the War now in progress we have to provide certain goods and services; that our power to provide goods and services is limited; that the Government's demand for goods and services must come first, and that, therefore, whether we are taxed much or little, we as individuals must go without many of the goods and services that we have hitherto enjoyed. In other words, we must, quite apart from any decision of our rulers, deny ourselves and make sacrifices in order to secure victory. As a nation we are quite ready to do this, and more than able to do it. In last week's STATIST Sir George Paish set forth the astonishing growth and extent of our financial resources, the greatness of which is a measure of the power which we are able, by self-denial, to put into the hands of the Government in order to achieve victory for the cause of liberty and justice. That we should use this power, and begin to exercise the necessary self-denial, is not only desirable but imperative. If we do not do it of our own free will we shall be forced to it sooner or later by economic necessity, if we mean to go on with the War and to finance our Allies. It is very difficult to bring home to the ordinary citizen the truth of this truism. Especially in the City, where miracles of financial jugglery are so successfully performed in normal times, one finds prevalent, even in quarters where it would be least expected, a notion that the War can somehow be carried on by means of credit extensions, and other devices, without seriously interfering with anybody's comfort. But credit expedients cannot produce goods and services, and they, and they only, can defeat the Germans. The experience of former wars supports these comforting delusions; but in former wars, at least in our time, the annual expenditure on them was well within the amount normally saved by the nation. Now it is not so, and we have got to stretch our saving power by forgoing comforts and luxuries.

There is also a theory that by mobilising our stores of previously acquired wealth we can help to beat the Germans. In fact our ability to do so is very limited. The extent to which we can use them depends on the extent to which we can sell them abroad, for if we sell them at home we produce no effect on the nation's supply of goods and services for war. The only market abroad in which we can sell anything to any appreciable amount is the United States of America (though we may be able to raise credits for small sums in other countries that are exporting to us), and it consequently follows that the result of the negotiations now being conducted in America will have more practical effect on the extent of the self-denial that we must exercise than the

Chancellor's decision with regard to taxation. For in so far as America will buy our stored-up wealth, in the shape of American securities, or a lien on our wealth in the shape of our Government securities, we can buy goods and services in America for the War, for ourselves and our Allies. By this sale or pledging we, of course, impoverish ourselves for the future and enrich America; but that is not a question that concerns us at present, since we are now only dealing with the possibilities, not with what is most desirable. Clearly it is most desirable that we should, if possible meet the whole needs of the War by self-denial; but all that we are showing now is that we shall be forced to meet the greater part of them by this method. For if our war needs for ourselves and our Allies are  $x$ , and the amount that we can raise in America and elsewhere by sales and borrowings is  $y$ , then we shall have to find, out of our own productive power,  $x-y$ . For we cannot increase our purchases abroad for war purposes, beyond the extent to which America and other countries are prepared to finance us, except by increasing our sales of goods and services abroad. If our annual production of goods and services may be taken as roughly equivalent to our estimated national income, 2,400 million pounds, and if the amount that we need for the War, for ourselves and our Allies, is now at the rate of 1,600 millions a year (taking Mr. Asquith's figure of five millions a day as covering total expenditure of all kinds, and deducting 200 millions for normal peace expenditure), and if the amount that we can raise abroad, by sales of securities and gold shipments, is 400 millions a year (probably a generous estimate), then the extent to which we have to practise self-denial is 1,200 millions out of 2,400. In normal times we are believed to exercise self-denial by saving to the extent of 300 to 400 millions. This practice has now to be extended to meet the requirements of the position, whether we are taxed heavily or lightly. If the Chancellor taxes little and borrows much we shall nevertheless be bound to go without goods and services to the extent that the Government needs them. Because the Government must have them if the War is to go on, and as it cannot buy them abroad unless foreigners will lend it the money to pay for them, it must buy them at home; and as we cannot increase production at home materially, with so many of our best workers in training or at the Front, the Government can only buy the goods and services required if we individually go without a corresponding volume of goods and services.

If we subscribe to Government loans by borrowing from our bankers, and go on spending "as usual," then we and our bankers between us have simply watered the currency by creating credit, and we and the Government compete with one another for goods and services in a limited market and put up prices against one another. We shall spend "as usual," but get less goods and services, and the inflated currency will have its usual effect in screwing up prices and turning the exchanges against us. Whatever we lend must be saved, or its effect is worse than useless. What we have to lend to the Government is not a certain amount of buying power depreciated by artificial creation of it through banking facilities, but the goods and services that it wants for the War. These we can only lend by going without them ourselves, and we must go without them if we are to win this War. Economic necessity will force us to do so, in time. When we began the War we had credits due to us all over the world, and we were able to finance a large slice of the cost of the first year of war by calling in these credits, which came back to us in the shape of goods and services. By this time we have probably exhausted this source of supply, and in future we have to rely on our own productive power and the willingness and ability of other countries to lend to us.

Economic necessity teaches its lessons by old-fashioned and brutal methods. It uses the cane with a freedom that is very annoying and puzzling to the pupil, especially when he does not understand why he is being whacked. Before the public has learned that it can only provide the Government with the goods and services required by going without them itself, we have a dreary period before us of rising prices, labour unrest, strikes and disputes, and all kinds of friction and recrimination, which will seriously disturb the harmony that ought to unite us in this great crisis. For Labour has very naturally decided that it does not mean to forgo any of its always scanty share of comfort until the well-to-do classes have been made to forgo a large part of their very adequate share of comfort and luxury. Consequently, it is very desirable that the Chancellor should anticipate the lessons of economic necessity by enforcing self-denial through taxation, not of the necessities of life, but of everything that can be forgone without detriment to productive power or to health of mind and body. If he puts the needs of the country clearly before it, and is careful to make the contribution of all classes equitable in relation to their margin of saving power, he will be leading us, by just and gentle methods, to the point to which we shall be otherwise driven by the cudgel of necessity, amid a chorus of mutual recrimination. We can only hope that he will take this great opportunity and inscribe himself on the roll of our really great financial leaders by taxing boldly and freely. Someone will have to do it sooner or later. And the Chancellor who does it will be the man who will win victory for the Allies and for the noblest cause that ever was in peril.

### LORD KITCHENER ON THE WAR.

LORD KITCHENER's speech in the House of Lords on Wednesday was decidedly encouraging. He reviewed the whole field of operations, and he left the impression that he is not merely confident with regard to the final end of the struggle, but that he is fairly well satisfied, taking all the circumstances into consideration, with regard to the actual present position. It will be recollected that he has visited France; that he has had the advantage of personal communication with General Joffre; and that, in consequence, he is speaking from personal observation as well, of course, as from constant official reports. With regard to the Western field, respecting which we of this country are most intimately concerned, he pays a just and well-merited compliment to the gallant conduct both of our French allies and of our own troops. The new armies that we ourselves have enlisted have now been so far trained that it has been found possible to send out large reinforcements; and, consequently, we are able to relieve the French from guarding so widely extended a front as for a long time they have had to take charge of. It is true that he expresses some disappointment because enlistment at home has fallen off of late. He reminds the country that the wastage of war is very great. Up to the present the casualties of all kinds have fallen not very far short of 400,000 men, and this wastage will, of course, go on. Indeed, in the winter it is to be feared it will increase in proportion. Moreover, whenever we and our French allies are prepared to take a vigorous offensive the casualties must be greater still. Therefore he urges that recruitment ought to be kept up so as to be capable of fully making good the wastage. We shall not discuss the points thus raised in this place; but we would remind our readers that while wastage must naturally go on, a very large number of the wounded and the sick recover and are soon able to return to the Front.

Lord Kitchener is not in a position to report as satisfactorily respecting the Dardanelles. A new landing, as our readers know, took place some time

ago. But all the advantages expected have not resulted. Especially we have failed to gain possession of the heights which it was hoped the new landing would make it possible for us to win. Lord Kitchener is careful to commit himself to no prediction of any kind, and even to avoid any reference to future movements, either on the part of ourselves and the French, or of any possible reinforcements from other quarters. Practically he tells us nothing new regarding the state of affairs in Turkey. He confirms, indeed, what we have been told on less good authority, that the Turks are growing thoroughly weary of their German taskmasters. But as long as the Germans are able to act as masters that does not help us very much. In the next place, Lord Kitchener speaks very favourably of the action and the prospects of the Italians. But it is in the Eastern field of operations that the interest now chiefly lies, and readers will naturally turn with most eagerness to learn what Lord Kitchener has to say of the outlook in Russia. He pays a high tribute, but not too high, to the splendid soldierly qualities of the Russian armies. And he confirms the view that has all along been taken by THE STATIST in regard to the causes of the recent reverses of the Russians. Those reverses have been due mainly to the want of ammunition, and especially of high explosives. Therefore the Russians found themselves overmatched, and they had no option but to retire. The Secretary of State for War is of opinion that the Germans really have gained little by driving the Russians out of Poland. They have gained certain fortifications which until this war began were supposed to be enormously strong. But the experience of the past thirteen months has proved to us that fortifications cannot stand against modern artillery. Consequently the Germans have, in fact, possessed themselves only of useless fortifications, and have found little in the towns they occupied to provide them with anything which they require. Apparently, the Russians have already been able to obtain much larger supplies of ammunition than anybody dared to hope in so short a time. They have suddenly undertaken a powerful offensive movement in Galicia, and in the course of a couple of weeks have made nearly 60,000 prisoners, while defeating the enemy in three great engagements. Such activity on the part of the Russians is likely to check the advance of the Germans. Indeed, Lord Kitchener declares that German strategy has once more broken down, and that unless extraordinary good luck comes to their aid they will probably find themselves in a very difficult position before long.

With regard to the length of the War it seems quite clear that Lord Kitchener looks for nothing decisive being done in the few months that remain before winter sets in. We ourselves are making great progress in the turning out of munitions. Lord Kitchener, Mr. Asquith, and Mr. Lloyd George all concur in telling us this. Moreover, every effort is being made to increase the number of munition factories. Indeed, Mr. Asquith went so far as to say that our only trouble just now is the want of sufficient workers. Therefore he made an earnest appeal to the women of the country to come forward and take the place of men who could be better employed in other ways. He likewise appealed to the trade unionists not to refuse to work with women. Apparently, then, we shall very soon, so far as the British troops are concerned, have a sufficient supply of munitions. It may be added, in passing, that Lord Kitchener stated that the Germans had in France and Belgium gained a temporary advantage by the use of liquid fire and asphyxiating gases; but that now that the Allies had become accustomed to this savage method of warfare, it had not the effect it had at first. Means had been found to prevent some of its worst consequences, while the determination of the Allies to punish such a wicked departure from all modern rules of warfare had been roused by this criminal conduct. The spirit

of both British and French troops then is everything that could be desired. Our armies are being largely reinforced. Munitions are being turned out in such large quantities that very soon the French will be in a position to assume the offensive. Naturally Lord Kitchener was careful not to give any indication as to when the offensive will be adopted. We can still hear the deserters at that point to the military authorities of the two countries, feeling sure that when our men have as heavy artillery as the enemy, and as abundant supplies of every kind of munitions they will give an exceedingly good account of themselves.

With regard to Russia, it looks, as already said, as if that country was being more rapidly supplied with the requisite kind of ammunition that anyone had dared to hope for. Our readers know that supplies have been pouring in of late from Japan, the United States and this country. Still, it would be rash to jump to the conclusion that the supplies of ammunition are sufficient to make it advisable for the Russians to turn suddenly upon their pursuers. The season of the year when fighting in Russia is most difficult is now beginning. Probably, therefore, the Tsar and his military advisers will consider it more judicious to allow the Winter to set in before changing their strategy very much. That they will put themselves in a position in which they can inflict punishment upon the enemy if he attempts to retire it is safe to assume. But the wisest course, one would suppose, would be to wait before entering upon an active aggressive movement until they are sure of adequate supplies of ammunition. When they are sure of that, they will be able to act in their own country much more vigorously than the invader. Consequently, it is quite possible that if the Russians exercise a little patience and wait until they have fully sufficient supplies of munitions, very few of the invading hordes will depart from Russia free men. The extent of Russia is so great and the multitudes of men she can put in the field is so enormous that she needs only time to win. Therefore, it is to be hoped that she will not grow impatient and move too soon.

## WAR INDEMNITIES.

In the current number of the *Contemporary Review* Sir J. MacDonell gives an interesting summary of the tendency of international policy as shown in modern treaties of peace. In the course of the article he expresses the opinion that war indemnities ought not to be imposed. As a general rule we entirely agree with him, for it is manifest that war indemnities, in the first place, tend to encourage war by inducing the stronger party to believe that he can enrich himself at the expense of his weaker neighbours; and, in the second place, they are objectionable because the weaker party which has to pay the penalty may, in fact, have had right entirely on its side. But while we agree with Sir John in his opinion as a broad general rule, we disagree with him altogether if he means, as he seems to do, that in the coming peace an indemnity ought not to be imposed upon Germany. In our opinion, not only ought Germany be made to pay heavily, but the indemnity exacted from her should be so large as to disable her from beginning a war of revenge for several generations. Prussia rose from being a small frontier province of the German Empire to be one of the greatest of the great Powers by sheer aggression, intermitted when success seemed unlikely, but repeated again and again when opportunity offered. She has lived by rapine, and this present War is a mere continuation of the policy she has pursued from the beginning. Therefore, it is as certain as anything can be which has not occurred that Germany will renew the war if she is left powerful enough to risk the experiment. Germany has been converted by Prussia into a Socialist

State, with this difference, that the Socialism is all for the benefit of the ruling classes. Not only is the army modelled for purposes of aggression, but education, the railway system, and even trade itself are likewise organised to serve the purposes of aggression. There is absolutely no doubt, then, that the War will be renewed as soon as it seems safe. The preparations of Germany manifestly were not completed, much as those who are impressed by German audacity think they were. She forced on the War prematurely in the belief that Russia had not completed the reorganisation of her army, but that in a very few years Russia would become so powerful that Germany would be dwarfed. Germany, therefore, happily began too soon.

Another mistake she made was that she thought she could cajole this country into remaining neutral; and that with this country quiescent she could easily crush France, inasmuch as Russia was not ready to fight. For that reason Germany ought to be made to pay for all the injury she has done and for her open defiance of every moral and international obligation. The German people should be made to indemnify Belgium, as far as money can do so, for the injuries inflicted upon her. They ought to be made to indemnify France, not only for the injuries inflicted upon her in the present struggle, but to restore to her the war indemnity exacted from her after the war of 1870, and to restore to her, likewise, Alsace and Lorraine. Furthermore, Germany ought to be compelled to restore the two Danish duchies. Over and above all these acts of restitution, she ought to be compelled to pay an indemnity so heavy that it will make it impossible for her to set about preparing immediately for a war of revenge. In addition to all this, the Government, including the Kaiser and all officers who ordered or permitted the atrocities both in Belgium and in France, should be severely punished, not as political offenders, but as common criminals. We prate about the advance that has been made in morality. In real truth we have retrograded since the middle of last century. When the war between France and England, on the one hand, and Russia, on the other, came to a conclusion neither France nor England exacted a money indemnity from Russia. Since then money indemnities have been exacted both by Germany and by Russia in Europe, and they have also been exacted from China. All these were acts of retrogression, and were unworthy of the several Powers. When the next great treaty is concluded, which will end the present War, there ought to be a binding agreement amongst the several parties that neither money indemnities nor cessions of territory shall in future be exacted from a beaten enemy. In the case of money indemnities there should be no exception. In the case of cessions of territory they should be limited to the cases in which the people of the territory ceded by free vote themselves confirm the cession. Germany's action in invading Belgium proves conclusively that an aggressive Power will not regard her own signature; and, therefore, a mere clause in the Treaty of Peace will not be enough. If the various Governments concerned really act up to their duty they will bind themselves to prevent by force either a war indemnity or a cession of territory in future, except, in the second case, the cession is approved by the people of the territory ceded.

### NATIONALISM AND WAR.\*

THIS is a book difficult to review impartially, for the author is not only a very strong partisan, but he drags into his work matters which are of living interest at the moment, and, therefore, bound to excite strong differences of opinion. Lord Courtney of Penwith

tells us that he knows the Balkan States thoroughly, and also that he has had large experience in diplomacy. Yet it is quite apparent that he sympathises earnestly with Bulgaria, and, therefore, that his feelings are against both Serbia and Greece. Now, it is not the business of the British people of any class or any Party to take sides in the Balkan Question. We of this Journal desire as strongly, though perhaps for very different reasons, as the author of the book himself that the Balkan Question shall be settled as favourably to all the Balkan peoples as is possible, but so satisfactorily, at all events, as to prevent the Balkan Question ever again being a cause of war. Furthermore, the author of this book is not content to deal, as his title leads us to expect, with the Balkan wars as illustrating the evils of war. He must quite unnecessarily drag in references to the present disastrous War. Now, we should be the last to object to such dragging in if it were done with judgment, and if it illustrated truly the argument which he is endeavouring to prove. But many of his references to the present War are calculated to offend his readers and actually to indispose them to accept anything he says. To give but a single example, he is so absorbed in the Balkan Question, and all that it represents to him, that he actually describes it as the main cause of the present War. It is difficult to conceive anything better calculated to turn the people of the *Entente* countries against his whole cause. The War began, it was true, by the sending of an outrageous ultimatum by Austria-Hungary to Serbia. But everybody who is not led astray by a fixed idea knows that Germany has been preparing for this War for half a century; that she believed the moment for striking had come; and that she used the Austrian desire to crush Serbia as an excuse for bullying both France and Russia. The whole argument of the book is interrupted here and there by misrepresentations, not, we suppose, intentional, but suggested by an absorption in one particular idea from which he never can escape for many minutes at a time. Therefore it is difficult to deal with it satisfactorily. There is much in the book that will repay study. The author evidently is not only heart and soul interested in the Balkan Question, but he has studied it carefully, and his narrative, therefore, is full of instruction for those who already have knowledge enough to correct his partisanship, and to value at their true worth all his summings up.

On the other hand, for the general reader who has not sufficient knowledge of what he sometimes calls the Balkan Question, and sometimes the Near Eastern Question, it is very likely to lead astray. By the way, we would point out that the Balkan Question is not quite identical with the Near Eastern Question. The Near Eastern Question has been one of the bugbears of Europe for more than a century. It bred a dire fear of Russia in many countries; and it, unfortunately, induced our own country to bolster up Turkey when her extinction was really desirable. The Near Eastern Question, then, includes the Balkan Question; but it includes much more. The Balkan Question proper really deals with the future of the Balkans. That they can be settled satisfactorily without also raising the Near Eastern Question is extremely problematical—indeed, we may say frankly, does not seem to us possible. Still, though the two questions are intimately bound up with one another, they are two questions and not one. To sum up, then, the book is well worth study by those who are well informed; who desire to see the cause of each Party cleverly maintained and fully stated; and who also wish to find out the weak parts in the arguments of all the different Parties. To such persons we can recommend the book, knowing that they will not allow themselves to be led astray. But to those who are beginning to study either the Balkan or the Near Eastern Question, or both, simply because they have been raised by the present great War, we hesitate to

\* *Nationalism and War in the Near East.* By A Diplomatist. Edited by Lord Courtney of Penwith. Price 12s. 6d. net. (Oxford: Clarendon Press.)

recommend the book inasmuch as it contains a great deal that would almost inevitably deceive. Yet we cannot close our notice without repeating that it contains a great deal of interesting information. We have cited one instance where the author's partisanship, we do not doubt unintentionally, minimises the crime of Germany in forcing on this War, and magnifies out of all due proportion the influence of the Balkan Question upon it. It is quite true, of course, that there is intense hostility between Austria-Hungary and Russia, and that, to a very great extent at least, it is mixed up with the Balkan Question and the Near Eastern Question. But it is only in a sense that it is so mixed up. Austria does not care a brass farthing for the future of the Balkan peoples. She wants to extend her sway at least to Salonika—a very intelligible desire. And she would eagerly welcome anything that would lessen her dread of the vast Russian Empire. It is only, then, in a sense that the Balkan Question really affects the present War. The two Central European Empires desire to extend their authority and their influence not only over the Balkans, but over the whole Turkish Empire, and if it may be over Persia as well. That, it will be seen, is even a more extensive programme than anything involved in the Balkan Question, or even in the Near Eastern Question.

### SAN PAULO DIVIDEND.

THE San Paulo Railway Company has again succeeded in paying a 10% dividend on its stock. The June half is what is known as the lean portion of the year, and the dividend is usually made up out of the surplus balance of the preceding six months. This has probably been more than ever the case in the present instance. In the June half of last year the profit earned amounted to £110,600, and after paying the 5% dividend on the Preference stock there was a surplus for the Ordinary of only £85,600, or about £64,000 short of the sum needed to pay the 10% dividend. This shortage has probably been greater in the past half-year, seeing that the gross earnings were reduced by as much as £168,000. However, the position of the Company six months hence may be very much better than it is at present. In the first eleven weeks of the current half-year the traffic receipts of the line have increased nearly £83,000, and as comparison will continue to be made with exceptionally poor takings a year ago, when the Rio exchange fell to a relatively low level, a substantial improvement may be shown for the complete six months. For the whole of 1914 the profit earned amounted to £357,000, or sufficient to pay 10% on the stock, with a surplus of £57,000. Even were this margin to entirely disappear in the current year the Company will, having regard to its strong financial position, doubtless endeavour to maintain the distribution at 10%. The dividend distributions for the past 20 years are set out beneath:—

San Paulo Railway.

	June Half	Dec. Half	Year		June Half	Dec. Half	Year
1915 ...	10	10*	10	1905 ...	12	12	12
1914 ...	10	10	10	1904 ...	12	12	12
1913 ...	14	14	14	1903 ...	12	12	12
1912 ...	14	14	14	1902 ...	12	12	12
1911 ...	14	12	12	1901 ...	10	14	12
1910 ...	14	12	13	1900 ...	8	10	9
1909 ...	14	12	13	1899 ...	10	8	9
1908 ...	14	12	13	1898 ...	12	9	10½
1907 ...	14	12	13	1897 ...	14	11	12½
1906 ...	12	12	12	1896 ...	16	13	14

\* Possible distribution.

As the dividend is paid free of tax shareholders receive a substantial bonus in addition to the 10% dividend, and with the price of the stock at 160 a yield as as much as £7½ per cent. is forthcoming.

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## Financial Notes.

THE appointment of Admiral Sir Percy Scott to protect London against the Zeppelins has met with the warm approval of all the country. From the questions and answers put in the House of Commons it would appear as if the appointment was made by the Admiralty alone and that the distinguished Admiral, therefore, is solely under the control of the Admiralty. Perhaps it matters little since it is to be presumed that the War Office and the Admiralty are working cordially together. Still, it is important that Sir Percy Scott should feel that he has a perfectly free hand, and is not in any way interfering with the freedom of action of others, or encroaching upon their domain. He ought to feel that he is looked up to by the whole country for the protection of the Metropolis, and that he is accountable not to this or that department alone, but to the Government as a whole. We trust that the best possible results will be derived from the appointment of one who so justly possesses the confidence and the admiration of the Empire.

The Indian monsoon except in Gujerat and Cattiawa is fairly satisfactory. It is still continuing. A telegram received this week states that good rains have fallen. Therefore, we may reasonably hope that it will continue late, and that it will confer great benefits on India. The two provinces excepted have received little rain heretofore, and they may be an exception. But generally the outlook is fair. This is very satisfactory, firstly, because it ensures a continuance of prosperity throughout the whole Empire, and secondly, because it promises to keep down food prices. The monsoon has been nothing like so good as last year, but it has been good enough to give promise of satisfactory crops almost everywhere. The best evidence of the feeling now in India is that exchange has fully recovered to 1s. 4d. per rupee. This is due, firstly, of course, to the good monsoon, but secondly, to the good jute season and the strong demand for jute and jute bags for the Government.

The price of nitrate is very high at 8s. 3d. per quintal owing to the shortage of cargoes near at hand. Even for forward delivery the price is 7s. 9d. for three and four months ahead. These are profitable prices for companies at present at work. The

demand for nitrate is strong chiefly for munition purposes. But there is, likewise, a strong demand for the United States for agricultural purposes. As evidence of the consequent recovery in the Share market, we give the following recent quotations of local Chilean nitrate companies compared with prices a year ago:—

	Recent.	A Year Ago.
Lastenia ... ..	17	35
Boquete ... ..	100	142
La Loa ... ..	40	59
Agua Santa ... ..	260	300
Llallagua ... ..	44	74

Argentina has just finished a very fine export season. The imports have been small. The consequence would be that exchange should have risen very much; but, of course, it can only rise to the level at which gold can be deposited in London. The present rate is 48s. The closing of the season has left the country an enormous surplus of money. Generally the prospects in Argentina are not so good for the new crops. There has not been enough rain. The wine business of Mendoza is better. Sugar is doing pretty well.

Justice Greenbaum, of the New York Supreme Court, has delivered a decision which is of much interest to bankers and investors. A bank had taken over the business of a trust company, and one of the shareholders of the trust company, while he distinctly stated that he approved of all other parts of the agreement between the two companies, objected that the deposits handed over by the trust company had not been taken into account in estimating the value of the shares. The matter, in consequence, was brought before the Supreme Court of New York. There the question was raised whether the Court had jurisdiction in the matter. The difficulty, however, was overcome by the parties concerned requesting Justice Greenbaum to act as arbitrator in the matter, pledging themselves to abide by his decision.

The Justice decided that the deposits ought to be taken into account in valuing the price of the shares. He said that while deposits unquestionably are a liability, and, therefore, from certain points of view do not add to the value of a share, from other points of view they are of very considerable value. He went so far as to say that a bank always takes into account the deposits of such institutions as it may take over, and he added that even where an institution is not doing well it may be of very considerable value to a purchasing bank if the deposits to be taken over are large. Therefore, he decided in favour of the dissenting shareholder of the trust company.

A New York contemporary, reviewing the imports and exports of the United States for the month of July, says that the gains in the merchandise exports over last year have occurred mainly in shipments of explosives, firearms, automobiles, horses, wearing apparel, food stuffs, and other supplies in the fulfilment of orders or contracts from the *Entente* countries. The exports for the month amounted to £53,595,798, comparing with only £30,827,789 for the corresponding month of last year, an increase of £22,768,009, or 73.9 %. For the seven months of the current calendar year the aggregate value of the merchandise exports was £393,957,499, against £240,196,432 in the corresponding period of last year, an increase of £153,761,067, or 64.0 %.

It goes on to say that the imports of merchandise for the month exhibit a loss of £3,300,000 compared with the corresponding month of last year. For the seven months the total was £201,781,888, against £228,118,675 in the corresponding period of last year, a decrease of £26,336,787, or 11.5 per cent. It is added that the excess of exports over imports for the seven months of the present year is almost as great as the total value of all the imports for the period.

## OUR INDEX-NUMBER OF PRICES.

(In Continuation of Sauerbeck's Figures.)

THE following are THE STATIST's index-numbers of the prices of 45 commodities, the average for the 11 years 1867-77 being 100:—

Annual Numbers.			Monthly Numbers.	
Period	Average		Month	Index No
1873 ... ..	111		July 1896 ... ..	59.2
1878-87 ... ..	79		February 1909 ... ..	71.9
1890-99 ... ..	66		June 1914 ... ..	81.2
1905-14 ... ..	79		July 1914 ... ..	82.4
1880 ... ..	88		August 1914 ... ..	87.9
1896 ... ..	61		September 1914 ... ..	89.3
1905 ... ..	72		October 1914 ... ..	89.8
1906 ... ..	77		November 1914 ... ..	88.8
1907 ... ..	80		December 1914 ... ..	91.6
1908 ... ..	73		January 1915 ... ..	96.4
1909 ... ..	74		February 1915 ... ..	100.9
1910 ... ..	78		March 1915 ... ..	103.7
1911 ... ..	80		April 1915 ... ..	105.9
1912 ... ..	85		May 1915 ... ..	107.2
1913 ... ..	85		June and July 1915 ... ..	106.4
1914 ... ..	86		Aug. 1915 ... ..	107.0

After a slight decline in June and July prices of commodities in the aggregate rose during August almost to the level attained in May, our index-number for last month having been 107.0, against 106.4 for the preceding two months and 107.2 for May. For June 1914 the number was 81.2, so that since the War began the rise has been nearly 32%. In the period that has elapsed since the outbreak of war the upward tendency of prices for most months has been more marked in foodstuffs, but during August materials showed the greatest proportionate rise. On balance food stuffs were slightly higher for the month, the number having risen to 108.1. Compared with June 1914, when the number was 74.8, the rise has been as much as 44.5%. As regards materials, the number rose .8% to 106.3. For June last the number was 106.9. Just before the War commenced the number for materials was 85.7, so that the rise here in the fourteen months has been 24 %.

Taking articles of food and materials separately, the index-numbers for last month compare thus (1866-77 = 100 in both cases):—

Year	Food-stuffs	Materials	Year	Food-stuffs	Materials
1873 ... ..	107	114	May 1915 ... ..	111.1	104.3
Aver. 1878-87 ... ..	84	76	June " ... ..	105.8	106.9
" 1890-99 ... ..	68	64	July " ... ..	107.7	105.5
" 1905-14 ... ..	75	82	Aug. " ... ..	108.1	106.3
July 1896 ... ..	60.0	58.6			
May 1907 ... ..	73.5	88.9	Rise % in Aug. +	0.4	+ 0.8
Feb. 1909 ... ..	70.8	72.6			
June 1914 ... ..	74.8	85.7	Rise % 14 mos. +	44.5	+ 24.0

Notwithstanding declines in wheat, due to prospects of more abundant harvests, and in oats and flour, higher quotations ruled for rice, barley and maize, and the number for vegetable foods was a shade higher at 105.6, making a total rise of 58.8% since June 1914. The number is still several points below that of 110.1 recorded for May last. Pork was perceptibly dearer, as also was bacon, and although beef and mutton were somewhat cheaper, the number for animal food rose 1.1% to 131.8, in comparison with 134.5 for May. Since the War began the rise in animal food has been 35.2%. The number for sugar, tea and coffee, on the other hand, was 2.1% lower at 71.4, the lowest figure since March, the somewhat higher quotation for sugar having been much more than neutralised by a decline in tea and a further fall in coffee. However, these food comforts still show a rise of 37.8% compared with June 1914.

The decline in minerals which began in July continued last month, more especially in lead, tin and copper, and to a lesser degree in iron. In some measure this was offset by the higher price of coal for export purposes. However, minerals declined 1.3% to 119.6, against 121.2 for July and 126.6 for June. The number for August was still 23.7% higher than for June 1914. The class which showed the greatest percentage rise during August was textiles,

where the number rose 3.3% to 92.6, which is the highest for about 40 years. The upward tendency here arose from the advance of over 12% in flax, combined with higher levels touched by jute, cotton, hemp, and silk. As regards cotton, the quotation for American middling at the close of August had recovered to 5.73d. per pound, the highest figure since April last. On the other hand, both Colonial and English wool somewhat declined. That the rise in textiles has been smaller than in any other class of commodities since the War began, the number for August being only 14.9% higher than for June 1914, is due to the great declines in the interval in cotton and silk. As regards sundry materials, wood and petroleum were substantially dearer, while the prices of hides and seeds also advanced. On the other hand, olive oil and leather were somewhat cheaper, and on balance the number rose .6% to 107.7, the highest point for over 40 years. Since June 1914 "sundries" have risen 30.5%.

Comparison of the prices of the various classes last month with previous periods is made below:—

	Veg. Food (Corn, &c.)	Animal Food (Meat & Butter)	Sugar, Coffee & Tea	Mine- rals	Tex- tiles	Sun- dries
Year 1873	106	109	106	141	103	106
Aver. 1878-87	79	95	76	73	71	81
" 1890-99	61	80	63	71	56	66
" 1905-14	70	92	53	97	75	78
June 1914	66.5	97.5	51.8	96.7	80.6	82.5
May 1915	110.1	134.5	72.0	119.6	86.5	107.5
June "	103.0	127.5	73.4	126.6	90.6	106.2
July "	105.4	130.3	72.9	121.2	89.6	107.1
Aug. "	105.6	131.8	71.4	119.6	92.6	107.7
+ or - % Aug.'15	+0.2	+ 1.1	-2.1	-1.3	+3.3	+0.6
Do. % since June'14	+58.8	+35.2	+37.8	+23.7	+14.9	+30.5

SILVER.—On balance for the month the price of silver was  $\frac{1}{2}$ d. higher at 23d. per ounce, owing to the fall in the American exchange having diminished the supply, and also in consequence of a demand for the American Mint.

The price and index-number of silver for last month compare as follows (60.84d. per oz. being the parity of 1 gold to 15½ silver=100):—

	Price d.	Index- No.	End of	Price d.	Index- No.
Average 1890-99	34	= 55.8	Dec. 1906	32 $\frac{5}{8}$	= 53.1
Average 1905-14	26 $\frac{1}{8}$	= 43.9	June 1914	26	= 42.7
Average 1893	35 $\frac{3}{8}$	= 58.6	Oct. 1914	22 $\frac{3}{8}$	= 36.5
Average 1909	23 $\frac{1}{8}$	= 38.9	Dec. 1914	22 $\frac{1}{8}$	= 37.3
Average 1914	25 $\frac{1}{4}$	= 41.6	July 1915	22 $\frac{7}{16}$	= 36.8
Lowest, Nov. 1902	21 $\frac{1}{8}$	= 35.6	Aug. 1915	23	= 37.8

GOLD.—During August the stock in the Bank of England rose from £61,000,000 to over £68,000,000, the withdrawal of about £2,300,000 on balance on foreign account having been more than neutralised by the return of some £9,800,000 from circulation. The value of the sovereign in New York broke sharply, and the New York sight exchange on London, which at the end of July was 4 76½, at the close of August fell to 4 57½. This month (September) the rate fell at one time to 4 50, but has now recovered at 4 70½.

We greatly regret to learn of the death of Sir William Van Horne, who was formerly the Chairman of the Canadian Pacific Railway. The work of constructing the Canadian Pacific was mainly due to his great ability. Prior to 1881 he was connected with various American railways, but in that year he was induced to become General Manager of the Canadian Pacific. In associating himself with the building of this great transcontinental line Sir William was constructing not merely a new railway but a new nation, for in large measure the wonderful development of Western Canada in the past decade is the direct result of the work he performed since the 'eighties.



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## American Topics.

### ERIE RAILROAD.

THE feature of the American Railway market since the beginning of the month has been the improvement in the price of Erie First Preferred, the stock having risen between five and six points in the past week. This upward tendency is especially noteworthy at a time when the prices of American Railway securities have remained practically unchanged, and arises from the greatly improved position of the undertaking and the belief that the First Preferred will shortly re-enter the ranks of dividend-paying stocks.

The chief factor concerning the Erie Railroad is that the vast improvement programme upon which work was commenced some years ago has at length been practically completed, only a relatively small section of the main line between New York and Chicago remaining to be double tracked. The carrying out of this great scheme of rehabilitation has cost the Company about \$100,000,000, of which about \$33,000,000 has been expended upon grade reductions and additional running tracks and about \$50,000,000 upon equipment. Most of the money has been raised by the issue of bonds, and had it not been for the appropriation of surplus profits each year to various capital purposes and the non-payment of all dividends since 1907, the amount of new money raised would have been still larger. After the long period of watchful waiting the holders of the First Preferred, who year after year have seen the profits turned back into the road, will probably be rewarded for their patience at no distant date. Stockholders of the line should not lose sight of the fact that they now possess an interest in an undertaking that scarcely resembles the Erie of old, for from two streaks of rust, to use a term that some years ago was often applied to the line, the physical condition of the Erie has been raised by the present management to a standard that from all aspects compares by no means unfavourably with some of its wealthier neighbours.

The Company's year now corresponds with the calendar year. According to the figures for 1914 the net profit after paying all interest and other charges amounted to \$1,004,000, equal to just over 2% on the First Preferred stock. It has, however, to be remembered that 1914 was a most unsatisfactory period for American railways. Not only was the trade of the country showing signs of depression, more particularly the iron, steel, and coal industries, in the prosperity of which the Erie is especially interested, but the railways were having to bear the burden of higher operating expenses with no additional compensation whatsoever in the shape of in-

creased freight rates. In the current year conditions have changed completely. It is true the Eastern lines did not secure from the Interstate Commerce Commission at the end of 1914 all the concessions they asked for, but, nevertheless, the increased rates granted meant a material addition to the revenue of the Erie. Various estimates, ranging from \$1,000,000 to \$3,000,000 per annum, have been made as to the value of these increased rates to the Company, though as far as we are aware no official statement has been forthcoming upon the subject. Then, again, the Erie will benefit from a more recent decision of the Commission, for while fixing lower rates for the carriage of anthracite coal in certain directions the Commission permitted increased charges to be made for the transportation of such coal West to Chicago, and it is believed the Erie will secure about \$500,000 of revenue a year from this source alone.

At the present time the iron and steel industries of the Eastern States are operating practically at full capacity on work directly or indirectly associated with the War, and the demand for bituminous coal needed for manufacturing purposes is becoming greater. Inasmuch as the territory served by the Erie is honey-combed with manufacturing enterprises of all kinds which are not only busily engaged but have extensive unfilled orders on hand, the future course of earnings would seem to be particularly favourable, especially when account is had also of the great movements of grain that will shortly commence to tide-water.

For the seven months to the end of July gross earnings have increased \$1,424,000, or 4.2%. This improvement has been accompanied by an addition of only \$166,000 to the operating expenses and taxes, so that the gain in net earnings in the period has been as much as \$1,258,000, or nearly 18%. Since the end of July gross earnings are understood to have shown still further gain, but no data are available as to the extent of the improvement. In the coming months not only are gross earnings expected to show continued growth, but there should be little or no addition to the operating expenses. Thus almost the whole of the improvement in gross earnings may be secured as additional net revenue. That this is so is due to a change of policy in connection with maintenance work. Prior to 1915 heavy maintenance has not been taken in hand until July, but this year the work was commenced some three months earlier, and the gain of \$593,000 in gross receipts for the June quarter was accompanied by an addition of \$1,231,000 to maintenance outlays. Little change occurred in conducting transportation costs and taxes in this period, and the net earnings for the three months were \$600,000 lower. In the current half-year, however, benefit will be derived from the fact that maintenance expenditures are being spread over a longer period than formerly. Indeed, for July last, whilst gross earnings were \$254,000 higher than in the corresponding month of 1914, maintenance outlays were \$274,000 lower, and similar results may be shown in subsequent months. Considerable advantage is being derived by spreading maintenance work, for by so doing it is estimated its prosecution is rendered 20% more efficient.

At the same time that gross earnings are showing improvement the officers of the road by reason of economies rendered possible by the practical completion of the improvement programme have succeeded in curtailing the cost of conducting transportation, which, for the seven months to July, was \$549,000 lower than for the corresponding months of 1914, although gross receipts were \$1,425,000 higher. Interest charges proper this year are somewhat higher than for 1914, but miscellaneous charges may be lower, and on balance the gain in net profit for the

year will more or less correspond to the expansion in net earnings after taxes.

To indicate the course of earnings and expenses in recent months we append the following statement:—

*Recent Course of Earnings and Expenses of Erie RR.*

(000's omitted.)

	Gross Receipts	Maintenance Way	Equipmt.	Trans- portation	Oper. Exp. & Taxes	Net Receipts
	\$	\$	\$	\$	\$	\$
Jan. 1914	478	53	37	108	189	667
Feb. "	617	2	31	51	149	756
Mar. "	87	17	141	96	217	160
Apr. "	138	113	55	41	238	376
May "	517	35	184	78	261	286
June "	45	246	47	33	250	295
6 mos.	1,402	206	22	100	326	1,798
July "	119	97	237	43	68	187
Aug. "	162	184	31	148	314	152
Sept. "	14	162	18	104	281	528
Oct. "	194	200	30	180	434	210
Nov. "	353	129	107	181	247	106
Dec. "	518	193	568	117	60	608
Year	2,791	373	733	673	825	1,969
Jan. 1915	144	85	7	159	200	583
Feb. "	394	34	71	204	143	594
Mar. "	40	14	16	164	229	183
Apr. "	150	102	407	54	529	379
May "	318	135	598	16	568	250
June "	125	111	78	32	98	27
6 mos.	1,171	21	930	565	614	537
July "	251	88	186	16	447	701

Even ignoring any further improvement in net earnings in the last five months of the year the indicated profit for 1915 is about \$2,262,000, a sum equal to the full 4% dividend on the First Preferred and to about 2% on the Second Preferred stock. This is shown in the following calculation:—

*Estimated Profits of the Erie Railroad.*

	\$
Net profit, calendar year 1914	1,004,000
Addition to net earnings, 7 months to July 1915	1,258,000
Present indicated profit apart from further increase or decrease in net receipts	2,262,000
Dividend of 4% on First Preferred requires	1,916,000
Balance = about 2% on Second Preferred stock	346,000

In the past dividends paid on the First Preferred have been declared in January and July. Whether or not the dividend on this stock will be resumed in January next will, of course, depend upon the view of the future then held by the directors. The profits shown above do not indicate large margin in excess of the full 4% dividend, but by the end of the year the results and outlook may be such as to warrant the commencement of dividends. We may, however, be sure that no action will be taken in the matter unless the directors see their way to continue the payments permanently.

The capital account is practically closed, and facilities have been provided far beyond existing traffic requirements. In fact, the road is capable of handling a traffic yielding annual gross revenue of \$100,000,000, and, inasmuch as gross revenue for the twelve months to July amounted to about \$61,000,000, the Erie has ability to earn 64% more revenue without being under the necessity to issue further capital for additions and extensions apart from a small amount for equipment. In these circumstances the outlook of the undertaking would appear to be very satisfactory, and future growth of traffic may be expected to have an appreciable effect upon the course of profits.

The price of the First Preferred stock is now 53½. The Second Preferred is quoted at 42½, and the Common at 31½.

## THE CUBA RAILROAD. REMARKABLE PROGRESS.

THE progress of the Cuba Railroad Company shows no sign of waning, notwithstanding the remarkable achievements of the last few years, and the results secured in 1914-15 are in all respects a record in the history of the undertaking. The gross earnings, it is true, are only \$42,000, or 0.8%, larger than in 1913-14, but, having regard to the fact that the sugar crop was

smaller than in the preceding year, and that for a time, at any rate, the trade of the island was seriously interrupted by the outbreak of the European war, any improvement on the record takings of the preceding year, however small, is matter for congratulation. At one time a bumper sugar crop was anticipated, but owing to frequent interruptions by unseasonable rains the total production of the island was nearly 12% less than in 1913-14, when the largest crop ever obtained was gathered in. Up to June 30 the crop totalled about 2,300,000 tons, as against 2,600,000 tons in 1913-14 and 2,400,000 tons in the preceding year. In 1911-12 the crop amounted to about 1,900,000 tons, and in 1910-11 it was under 1,500,000 tons. The total production of sugar in the island for a number of years past will be seen from the following statement:—

#### Cuban Sugar Crops.

Year	1914-15	1913-14	1912-13	1911-12	1910-11	1909-10	1908-9	1907-8	1906-7
Tons	2,297,000	2,597,000	2,412,000	1,896,000	1,485,000	1,514,000	962,000	1,128,000	1,066,000
Value	1,253,000	1,188,000	1,106,000	1,028,000	822,000	860,000	335,000	305,000	280,000

The smaller crop of the past season is mainly responsible for a falling-off of \$27,000 in the Company's freight earnings. Nevertheless, the total at \$2,583,000 is, with the exception of 1913-14, by far the largest previously obtained. Passenger traffic was also unfavourably affected, coaching receipts showing a decrease of \$26,000; but this is relatively insignificant having regard to the previous growth. The whole of last year's improvement in earnings was, therefore, derived from miscellaneous sources, chiefly from hire of equipment, which realised some \$91,000 more than in 1913-14.

On several occasions we have directed attention to the ability of the Company to drastically curtail expenditure if necessity arose, and the fact that last year the outlays on maintenance of way and structures were reduced by \$193,000 does not imply neglect of the property, but merely indicates a retrenchment of the exceptionally liberal outlays of recent years, particularly in 1913-14, when the amount spent on maintenance of way represented no less than 14.35% of the gross receipts. Transportation expenses were slightly reduced, notwithstanding the rise in the price of coal, &c., and the total working expenses at \$2,479,000 show a decrease, compared with the preceding year, of \$214,600, or nearly 8%. The ratio of expenses to receipts is lowered from 52.16% to 47.61% only. To show where expenses were curtailed in the past year, and the further saving which has been effected in the cost of conducting transportation, we give the following particulars:—

#### Operating Expenses, Cuba Railroad.

Year ended June 30—	1915	1914	1913	1912	1911
Maint. of way and structures	548,218	741,370	548,915	282,225	291,512
Do. extraordinary replacements	—	—	96,000	96,000	96,000
Maintenance of equipment	355,179	351,943	321,354	282,388	249,722
Total maintenance	903,388	1,093,313	966,269	761,613	637,234
Conducting transportation	1,218,958	1,234,009	1,139,608	972,275	824,233
General expenses	211,061	220,923	186,861	162,262	154,892
Antilla terminals	145,867	145,504	120,800	103,603	69,220
Total expenditure	2,479,174	2,693,749	2,416,538	2,000,393	1,685,579

#### Ratios of Expenses to Gross Receipts.

Year to June 30—	1915	1914	1913	1912	1911	1910
Maint. of way and structures	10.53	14.75	11.85	10.01	9.52	10.03
Do. extraordinary replacements	—	—	2.07	2.51	3.13	3.75
Maintenance of equipment	6.82	6.81	7.00	7.12	8.16	8.19
Total maintenance	17.35	21.16	20.92	19.94	20.81	21.97
Conducting transportation	26.41	23.91	21.69	25.16	20.93	27.28
General expenses	4.55	4.28	4.04	4.26	5.06	5.73
Antilla terminals	2.80	2.81	2.61	2.71	2.26	1.75
Total	47.61	52.16	52.17	52.07	50.06	56.73

An expansion of \$256,000 in net earnings was offset by an increase of \$34,000 in interest charges, and the profit for dividend amounts to \$1,873,000, as

against \$1,617,000. This is sufficient to pay the full dividend on the 6% Preferred stock, with a surplus of \$1,256,000, a sum equal to a distribution of 27% on the Common. Two half-yearly dividends of 3% have been declared, one of which was paid on May 1 last, and the other is payable on November 1 next. These absorb \$600,000, leaving a balance of \$673,684, out of which \$310,758 has been written off extraordinary replacements and \$362,926 added to the undivided surplus of previous years, which is raised to the large total of \$3,776,272. The income statement of the Company for the last five years is appended:—

#### Cuba Railroad.

Year ended June 30—	1915	1914	1913	1912	1911
Gross receipts	2,583,000	2,583,000	2,416,538	2,000,393	1,685,579
Operating expenses	2,479,174	2,693,749	2,416,538	2,000,393	1,685,579
Net earnings	1,073,826	1,073,826	1,073,826	1,073,826	1,073,826
Div. on Pref. stock	1,873,684	1,651,505	1,414,280	1,059,862	700,000
Profit for ordinary	180,142	422,321	659,546	1,013,964	373,826
Ordinary surplus	—	—	—	—	—
Rate per share	673,684	451,505	414,280	509,862	347,316
Surplus	673,684	451,505	414,280	509,862	347,316
Extraordinary re- placements written off	310,758	362,926	—	—	—
Surplus	3,413,346	3,396,841	2,982,561	2,472,699	2,125,383
Brought forward	—	—	—	—	—
Carried forward	3,776,272	3,413,346	3,396,841	2,982,561	2,472,699

\* This surplus is available to the Company through declaration of such surplus three Preferred stock dividends, while only two were applicable thereto, it having been assumed that the Company would not declare such dividends until the income statement of the fiscal year during which such dividends are declared, and not, as in previous reports, in the income statement of the fiscal year during which such dividends are actually paid.

The Company has now completed the eleventh year of its existence, and the progress made since operations were commenced in 1903-04 has been very remarkable. At the same time, it should be borne in mind that the undertaking is still in its infancy, and that the country served is as yet only in the initial stages of development. So that under normal conditions shareholders could reasonably have anticipated a further increase in earnings and profits. In the circumstances now obtaining, however, the rate of progress is likely to be greatly accelerated. The rise in the price of sugar since the War commenced has been of enormous benefit to the country, and the last crop and a portion of the preceding one have been sold at very remunerative figures. Prior to the War the price of cane sugar was in the neighbourhood of 10s. per cwt., whereas now it is double that price, and has ruled at this relatively high figure throughout the whole of the past twelve months. With a production of 2,300,000 tons the total sum realised for the past season's crop has been about £43,000,000, whereas the preceding crop brought the country only about £26,000,000. This larger profit has given a fillip to sugar cultivation throughout the island, and the coming season will, it is reported, witness the inauguration of a number of new sugar mills, besides the installation of up-to-date machinery in many of the old ones. In the district served by the Cuba Railroad alone seven new sugar centrals, in addition to the 14 now in operation, are in process of construction for the coming crop, and no effort is being spared to make the 1915-16 season the best and most profitable the island has ever witnessed. Weather conditions, too, are at the moment all that could be desired, and although much may happen between now and the harvest, which commences in December, if all goes well a bumper crop will be obtained three months hence. Cuba cannot, of course, always expect good crops and good markets, but, having regard to the progress of the country in the past under more or less unfavourable conditions, the possibilities of the future now that the prospects are so much more

favourable are, to say the least, distinctly encouraging. Whilst all the railways of the country will benefit from these improved conditions, the Cuba Railroad, with its capacity for development and possessing as it does large tracks of land as yet uncultivated along its system, should reap a richer reward even than the others. Preparations are being made in the shape of large additions to the rolling-stock in order to deal effectively with the prospective large increase in traffic, and new lines are under construction with the object of extending the system to remunerative districts and thus adding to the general usefulness of the undertaking. Some 27 kilometres of a branch line from Placetas del Sur to Casilda, a distance of nearly 60 kilometres, for which a concession was recently granted under subsidy, was opened to traffic on August 1 last; and the remainder of the line is expected to be completed well within the contract period. All this, therefore, points to the conclusion that earnings and profits will continue to expand, and that in the next year or two, at all events, the rate of improvement will be even greater than it has been in the past. To show how satisfactory this has been, and what, consequently, may be expected of the future, we give herewith a retrospect of the main results of working since the commencement of operations in 1903-04:—

#### Cuba Railroad.

Year	Mileage	Gross Earnings	Working Expenses	Ratio	Net Earnings	Net Profit
1914-15	602	5,206,714	2,479,171	47.61	2,727,540	1,873,684
1913-14	602	5,164,671	2,693,749	52.00	2,470,922	1,651,505
1912-13	602	4,632,040	2,416,538	52.17	2,215,502	1,414,280
1911-12	602	3,819,253	2,000,393	52.37	1,818,860	1,059,862
1910-11	602	3,059,650	1,685,579	55.06	1,374,071	797,316
1909-10	596	2,559,335	1,452,036	56.73	1,107,299	672,089
1908-09	444	2,157,165	1,207,076	55.95	950,089	550,799
1907-08	440½	2,039,468	1,318,180	64.63	721,288	355,425
1906-07	426	1,953,309	1,294,955	66.30	658,354	332,424
1905-06	426	1,619,082	1,056,556	65.26	562,526	287,461
1904-05	426	1,029,258	733,635	71.28	295,623	37,448
1903-04	—	524,042	566,119	108.04 (Loss)	42,077	—

A still more striking comparison is that of profits, for whereas nine years ago the distributable surplus amounted to only \$37,000, the sum now available for dividend is no less than \$1,874,000. Seven years ago—i.e. in 1907-08—nothing was being paid on the Preferred stock, whereas at the present time not only is the Preferred stockholder in receipt of his full 6% dividend, but a profit equal to 12½% is being earned on the Common stock and distributions of 6% are being made. The growth of profits in recent years will be seen from the following:—

Year	Extraordinary Replacements			Dividends Earned—		Dives. Paid—
	Net Profit	Charged to Total Expenses	Profit	On Preferred Stock	On Common Stock	Prof. Com.
1914-15...	1,874,000	—	1,874,000	6	\$800,000	12½
1913-14...	1,651,000	—	1,651,000	6	600,000	10½
1912-13...	1,414,000	96,000	1,510,000	6	600,000	9
1911-12...	1,060,000	96,000	1,156,000	6	600,000	5½
1910-11...	797,000	96,000	893,000	6	600,000	3
1909-10...	672,000	96,000	768,000	6	600,000	1½
1908-09...	551,000	96,000	647,000	6	600,000	1
1907-08...	355,000	156,000	511,000	5½	512,000	—
1906-07...	288,000	158,000	446,000	4½	450,000	—
1905-06...	37,000	114,000	151,000	1½	150,000	—

The Company has started the new year well, the results for July showing an increase in profit of \$46,604, or over 50%. This has resulted from an expansion of \$37,546 in gross receipts, accompanied by a decrease of \$10,953 in working expenses and an increase of only \$1,894 in interest charges. The results for July are set out beneath:—

	Month of July—			
	1915	1914	Inc. or Dec.	%
Gross earnings	420,089	382,513	+37,576	+9.8
Working expenses	210,008	220,961	-10,953	-4.9
Ratio	(49.29)	(57.76)	—	—
Net earnings	210,081	161,582	+48,499	+30.0
Fixed charges	72,269	70,375	+1,894	+2.7
Net profit	137,812	91,207	+46,605	+51.0

The bonds of the Company are well-secured investments, the total fixed charges absorbing only about 30% of the existing net income of the line. The 5% First Mortgage bonds are quoted at 96½, and a yield of about £5½% is forthcoming. The 5% Improvement and Equipment bonds, issued in 1912

at 95% (New York terms), are now obtainable at 98, and the yield, allowing for accrued interest, is also about £5½%. The price of the 6% Non-Cumulative Preferred stock is 95 only, and the yield afforded is as much as £6 11s. 10d. per cent. This is a good investment, and one that should command a much higher price were markets more normal.

The capital of the Company and the prices of its securities are recapitulated beneath:—

Security	Amount	Interest	Price	Yield*
	\$	%	£	£ s. d.
5% 1st Mort. 50-year Gold bonds	12,030,000	5	96½	5 7 6
5% Improvement and Equip. Bonds	4,000,000	5	98	5 7 6
Trust Equipment Certificates	1,321,000	—	—	—
6% Non-Cum. Preferred stock	10,000,000	6	95	6 11 10
Common stock	10,000,000	6	—	—
Total authorised capital	37,354,000			

\* Allowing for accrued interest and exchange.

## THE STOCK MARKET POSITION.

In the circumstances, during recent weeks, though business has been on a very restricted scale in the Stock markets, the trend of prices has been remarkably steady. Intermittently, indeed, in certain directions strength has been shown, particularly in those cases where events had specially tended to depress quotations. Movements in prices of home railway securities may be instanced, the quotations being but little further affected of late despite the discomfort of intermittent talk of labour agitation leading to strike action on the part of the men. It is to be hoped that the steps taken to deal with the situation will result in a settlement of the grievances alleged to be felt by railway employees.

In the Colonial and Foreign Railway departments some changes are quietly going on, the effect of which is not immediately apparent, but in some directions tend to lead to the hope of an improvement in the market. South America is deriving benefit, for the fact that we are purchasing very largely of her products, and the increased demand for products such as food, &c., that we specially require from South America, leads to the expectation that the railways will benefit from increased freights and good crops. In a subsequent paragraph we deal with the salient features in connection with this section of the Stock markets.

The better traffics now being secured by South American railway companies, and the more promising outlook generally, have led to some inquiry for the leading securities, and quotations have recovered somewhat from their recent low level. It will be seen from the table given below that in the period from July 1914 to July 1915 prices receded heavily, but that since the middle of July a moderate advance has taken place. Nevertheless, it is obvious from the yields afforded at current quotations that there is room for further improvement, even on the assumption that the lower dividends now being distributed can merely be maintained. As a matter of fact all the indications point to a marked accession of strength in the current year, and possibly higher dividends will be forthcoming. At the present time the companies are steadily piling up their traffic receipts compared with a year ago, and whilst this is partly accounted for by the exceedingly poor takings with which comparison is being made, there is every reason to anticipate still better results as the year proceeds owing to the good crops, the better state of trade, and the improved conditions generally throughout the whole of South America. The growth in the traffic receipts of some of the leading companies to date will be seen from the table appended:—

#### Traffic Receipts, July 1 to September 12.

R.A. and Pacific	1915		1914		Increase	
	£	¢	£	¢	£	%
B.A. and Pacific	861,000	693,000	+168,000	+24.2		
Great Southern	848,000	740,000	+108,000	+14.3		
Western	151,000	130,000	+21,000	+16.4		
Central Argentine	1,175,000	1,018,000	+157,000	+15.4		
Central Uruguay	112,000	92,000	+20,000	+21.7		
Sao Paulo	369,000	286,000	+83,000	+29.0		
United of Havana	249,000	202,000	+47,000	+22.6		

being allotted to all shareholders, and a special dividend appropriation from the reserve fund in the form of a bonus dividend of one share for every two shares held, the value of one new share being allotted for each two shares at present held.

The years 1912 to 1914 were a very prosperous time for this Scottish steel-making Company, every department in the works having been fully employed. Moreover, the Company was entirely free from labour troubles. Consequently, tonnage output and invoiced values far exceeded anything in the history of the Company. On an average the prices for the products realised 11s. 10d. per ton more than in the previous twelve months; but the whole of this increase was absorbed in higher costs, such as wages, coal, pig iron, iron, and general stores. The additional cost incurred in wages was easy to calculate and provide for, but fluctuations in the price of pig iron were very rapid and frequent. Consequently, it is quite understandable that the profit was slightly less than that shown for the twelve months to July 1912, amounting to £122,897, as compared with £122,927. The dividend was maintained at 10%, and after allocating larger sums to reserve, &c., a slight increase took place in the carry-forward. During the twelve months to July 1914 a different state of things prevailed, and there was experienced a serious falling off in the demand for steel. Moreover, the Company was adversely affected by a partial stoppage of one of the works during the last six weeks of the year on account of a labour dispute. The result was that the output of finished material was less than that of the previous year, and the profit fell from £122,897 to £74,550, the dividend being reduced from 10% to 5%, and it was only possible to make an allocation of £10,000 to reserve.

Commenting on the results last year, we pointed out that the outlook was more favourable, and that on the whole the results for the year to July 1915 should show an improvement, with a probable increase in dividend for the shareholders. This forecast has been verified, and the profit turns out to be just about double that reported for the twelve months to July 1914. The output of finished steel has been in excess of that of the previous year. After the outbreak of war the demand for ordinary commercial steel diminished; but most of the departments have been fully employed on various classes of material produced for Government requirements. Higher prices have been realised, but, on the other hand, wages and the costs of raw material have much increased.

In the following table we set out in skeleton form the results secured by the Company during the past 22 years:—

- 1945-1947

The amount expended on reconstruction of and addition to plant, &c., is below the average of recent years, and therefore the directors have decided to write off £20,000 for depreciation. During the year the trustees for the Debenture stockholders redeemed by drawing, carried out in accordance with the provisions of the trust deed, £5,680 of the "A"  $\frac{1}{2}$  Mortgage Debenture stock, and the total amount of this stock now redeemed is £80,680. The Debenture interest has called for £11,287, and there then remains a balance available for distribution of £94,192, as compared with £34,120 twelve months ago. The dividend is increased from 5% to 7 $\frac{1}{2}$ %. This has

While it has to be recognised that a very large proportion of the great sums that have to be provided for war requirements, necessary for equipping and supplying the Army and Navy, finds its way abroad, there is still a considerable proportion that through enhanced wages, the purchase of home-produced fuel and raw material, transport earnings, remuneration to families of men on service, &c., is finding its way to the nation's workers and shopkeepers. The classes that have suffered most have been the upper and middle—more especially professional men and the large section of middle-class population dependent on income from money that has been invested—for the masses have so far been able to meet the increased cost of living by obtaining increased wages from their employers; but the two classes we have referred to, being unable to do this, have had to bear a depressing burden. At the same time a considerable number of manufacturers, especially those engaged directly or indirectly upon the provision of military or naval requirements, have been making very handsome profits. In the ordinary course the accumulation of profits and a free circulation of money would have been reflected in expansion of Stock Exchange business, but in the circumstances of provision being made by prudent people in order to be able to subscribe for any future Government issues there is an indisposition to utilise profits in the Stock markets. The volume of speculative business in the Stock markets has been reduced to very small dimensions, and the shifting of investments is very much less noticeable than was the case a few months ago.

A feature of the week in the Miscellaneous section of the Stock markets has been the strength of Birmingham Small Arms Ordinary shares upon the dividend announcement. Not only has the dividend

called for £33,941. Of the surplus, £40,000 is carried to reserve and the carry-forward increased by £20,251 to £41,292.

A comparison of the manner of distributing the profits for the last six years is given herewith:—

Year ended July—1915	1914	1913	1912	1911	1910
Profit ... ..	£ 119,524	74,550	122,897	122,927	103,562
Sundry expenditure ...	138,845	30,069	34,288	40,862	49,058
	105,179	44,881	88,609	82,065	54,504
Deb. int. (5% and 6%)	11,287	2,761	19,134	9,217	12,209
	94,192	42,120	69,475	72,848	42,304
Dividend ... ..	33,941	23,513	47,083	47,083	26,763
	(7½%)	(5½%)	(10%)	(10%)	(6½%)
	60,251	10,607	31,392	25,765	15,541
To reserve fund, &c. ...	40,000	10,000	30,000	12,000	7,000
	20,251	607	1,392	10,765	541
Brought forward ...	21,941	20,434	19,042	8,277	8,188
Carried forward ...	41,292	21,041	20,434	19,042	8,277

We have in the past detailed the steps that have been taken by the present board with the object of placing the works in the most efficient possible condition, and it is unnecessary to recapitulate them. We may, however, recall the fact that a very considerable change has taken place since 1894 when the Company was on the verge of bankruptcy and practically moribund; but for some considerable time past, as will be noted by the statement of results given above, it has enjoyed a considerable state of prosperity. In 1894 there was a debit balance carried forward of £23,400, but from 1906 to 1913 inclusive the profits shown were each year in excess of £100,000. Twenty years ago the shares were selling at less than £1 for the £10 share, while in 1913 the price had been as high as 11½.

The Company, instead of being a derelict concern, has been transformed into one of the most important and prosperous industrial concerns in Scotland. As an integral part of the policy carried out is the re-organisation of the works and the placing of them in a thoroughly modern and efficient condition, naturally the alterations that have been made have called for a considerable sum of money, and hence it is that the distributions of profits in the form of dividends have been on a smaller scale than would have been the case had it not been necessary to provide for these extensions. It may be recalled also that the whole of the money required for the extensions has been provided from revenue, and no increase has been necessary in the capital account.

During the past 20 years there has been expended on improvements, &c., a total of over £500,000, while the Company has also carried to reserve from profits a sum of £311,070. On reference to the balance sheet it will be seen that the reserve fund on July 15 last was only £250,000. The difference between the amount set aside and the sum shown in the balance sheet is due to the fact that, in pursuance of the policy of taking all possible steps to reduce the cost of production, the Company has acquired a colliery property, which it has been developing during the past few years, and a portion of the expenditure in connection therewith has been debited to the reserve fund. Up to the time of the acquisition of the colliery it was necessary for the Company to purchase the whole of its raw materials for steel making, but by securing possession of its own supplies of coal a step in the right direction was taken. A further step was taken last year in the same direction, inasmuch as there were acquired 50,000 shares of the Appleby Iron Company, Limited, of £1 each, fully paid, and 125,000 shares of £1 each on which the sum of 6d. per share has been paid. These stand in the books at the price paid—namely, £53,125. In consequence of the War the erection of steelworks by the Appleby Company has been postponed, but the work necessary to improve and extend the blast-furnace plant is well forward and in part completed. Meanwhile there has been a satisfactory increase in the production of pig iron. So far, practically no increase has been made in the capital

account for the purpose of providing the money necessary for the extensions and improvements; though the statement should be qualified to the extent that four years ago it was deemed desirable, in order to place the Company in possession of further working funds, to call up the unpaid liability of £1 per share which had previously existed, and which had been held in reserve as security for bank overdrafts. But in February 1914 a new issue of Preference shares was authorised, and preliminary steps were taken to provide for the issue, the accounts being debited with a sum of £1,025 disbursed for capital duty, &c., in connection therewith. In consequence of the international crisis, however, it was decided to delay the issue. The authorised amount is £400,000, in 6% Cumulative Preference shares of £10 each.

As the Preference capital has not yet been issued the share capital now in issue still consists of £500,000 of Ordinary shares. There are two Debenture stock issues, totalling £166,825. The total assets are valued at £1,157,348, of which the land, buildings, plant, collieries, &c., are valued at £556,815. Cash and bills receivable amounted to £39,149, as compared with £23,323 twelve months ago. We summarise herewith the liabilities and assets as at July 15 last:—

LIABILITIES.		ASSETS.	
	£		£
Issued capital ... ..	500,000	Lands, buildings, &c. ...	556,815
Debenture stock ... ..	166,825	Appleby Iron Co. ...	53,125
Reserve ... ..	250,000	4½% War Stock ...	250
Sundry creditors ... ..	148,274	Plant, tools, &c. ...	37,843
Second reserve ... ..	17,016	Floating stock ...	211,838
Profit and loss ... ..	75,233	Sundry debtors ...	238,330
		Cash and bills ...	39,147
	1,157,348		1,157,348

The outlook remains quite satisfactory for the Company, and doubtless its various departments will continue to be fully employed on the various classes of materials produced for Government requirements. The higher prices realised last year are likely to be continued, though, of course, this will be partially offset, at any rate, by the fact that wages and the costs of raw material are also likely to remain high. Provided, however, that the Company is able to secure a continuous supply of labour sufficient for its needs there is every reason to believe that the profits for the current year will be at least equal to those for the twelve months to July 1915. For 1912 and 1913 the dividend was 10% per annum. In view of the general outlook, and of the fact that a large addition was made to the carry-forward, bringing it up at July last to nearly double what it was in July 1914, it seems reasonable to anticipate that a further increase in the dividend will be forthcoming in twelve months' time. Last year the profits available were nearly sufficient to provide for a distribution of 22½% on the share capital. To restore the dividend to a 10% rate would only call for an additional £13,000 as compared with last year. The possibilities, therefore, for a larger distribution seem distinctly good, provided, of course, that the labour question remains satisfactory.

In the following table we set out the latest prices of the Company's securities, the dividends, and yields afforded:—

Amount	Description	Par	Price	Dividend	Yield
£		£	£	%	£ s. d.
75,000	5% First Mort. Deb. stock ...	100	101	5	5 0 3
100,000	6% Second .. ..	100	102½	6	5 18 10
500,000	Ordinary shares of £10 each	10	10½	7½	7 1 2

SHELFORD RUBBER ESTATE.—Interim dividend of 4%, less tax.

PANTHYA TEA AND RUBBER Co.—Interim dividend at the rate of 10% per annum, less tax.

KAWIE (JAVA) RUBBER.—Dividend of 10% for the year ended March 31, 1915, and also an interm dividend of 5% in respect of the current year.

PEARSON AND KNOWLES COAL AND IRON Co.—Dividend for half-year at the rate of 6% per annum on both the Preference and Second Preference shares, and a dividend of 7s. 6d. per share on the Ordinary shares, all less tax.

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## Insurance Notes.

### NORTH BRITISH AND MERCANTILE INSURANCE COMPANY.

FROM the shareholders' point of view the fire department of this very comprehensive insurance Company is of most importance. The operations in this section are world-wide, and the Company transacts a greater proportion of its fire business in European continental countries than most of its contemporaries. Hence it comes about that the War greatly curtailed the Company's fire profits in 1914. It is to this cause that a large diminution in its fire premium income is due, German and Austrian operations having ceased, although full provision has been made for all the Company's liabilities in connection therewith.

The outcome of the fire account for 1914 is a trading profit of £9,831, which is exceptionally small in amount, representing less than  $\frac{1}{2}$  per cent. of the fire premium income for the year. Under the circumstances it may perhaps be considered satisfactory, however, that the balance, such as it is, comes out on the right side. The premiums, reduced by £331,286, amounted to £2,146,290. Claims and contributions to fire brigades absorbed £1,416,617, showing an increase of £54,303, while expenses and commission (£852,356) were reduced by £52,650. To the trading profit has to be added £80,560, representing the net interest earnings, less income tax, on the fire fund, so that the sum transferred from that fund to profit and loss account was £90,391.

The Company transacts accident and marine insurance business through the mediums respectively of the Railway Passengers and the Ocean Marine companies, and owns the whole capital of these undertakings. The dividends received on its holdings in these subsidiary concerns form part of the interest earnings credited to the North British and Mercantile profit and loss account. These net interest earnings and fees, less certain charges, amounted in all in 1914 to £135,848. The Company's life profits are quinquennially allotted. Those arising from the last quinquennial valuation, on December 31, 1910, were sufficient to provide the sum of £37,738 as a contribution to the profits of each year during the current quinquennium.

Reëcapitulating the above results, the profits taken

	Trading Profits	Interest Earnings
Fire department ... ..	£ 9,831	£ 80,560
Life profits ... ..	37,738	—
Profit and loss account ... ..	—	135,848
	47,569	216,408

263,977

The Company's subscribed capital amounts to £4,500,000, of which £2,437,500 is paid up, in 110,000 shares of £25 with £6 5s. paid on each, representing paid-up capital of £687,500, and fully-paid 4% Preference stock of £1,750,000. The dividend in respect of the operations for 1914 is declared at the same rate as for the previous year, viz. £2 per share, which requires for distribution, after deduction of tax, the sum of £203,098; while the Preference dividend, less tax, amounts to £64,629. The total amount of the dividend is, therefore, £267,727, which exceeds the year's profits taken into account by £3,750. Consequently the balance carried forward in profit and loss account, after provision for dividends, is reduced by that sum as compared with the corresponding figures of last year; but its amount is large, being £1,193,625, so that the reserves are on a very strong basis. Apart from the additional security furnished by these reserves and the paid-up capital, the fire funds, amounting to £2,408,516, represent about 112% of the departmental premium income, or nearly three times the amount set aside as a provision for the running off of fire risks unexpired at the end of the year.

The life and annuity funds of the Company are larger than those of any British life company not possessing an industrial department, with two exceptions. The Company's new life business in 1914 amounted to £2,487,327 in sums assured, of which £228,266 was reassured, the net retention at its sole risk thus being £2,259,061, as compared with £2,528,596 in 1913. Nearly nine-tenths of the net retention in 1914 related to business transacted within the United Kingdom. The total net life premium income, increased by £40,467, amounted to £1,213,664, of which expenses of management, inclusive of commission, absorbed about 13.7%. Death claims, amounting to £820,278, show an increase of £141,618 over those of the previous year. Endowment assurances for £217,422 matured by survivorship. Through the year's operations the life assurance fund was increased by £513,408 to £14,573,414, and the net interest yield thereon, after deduction of income tax, seems to have been about £4 2s. 3d. per cent., as compared with the valuation assumption that 3% would be earned.

The annuity account shows that the sum of £188,677 was received as consideration for new annuities granted in 1914, that annuities of £312,396 were paid, and that the annuity fund at the close of the year amounted to £2,994,176. Premiums of £27,383 are shown as having been received in the sinking fund account; and the departmental fund relating to capital redemption business transacted within the United Kingdom amounted on December 31, 1914, to £128,230.

A quinquennial valuation in the life department falls due at the close of the present year. The last quinquennial bonus declaration was at the compound rate (being declared on sums assured and existing bonuses) of 30s. per cent. per annum.

The general balance sheet of the Company on December 31, 1914, shows total assets of £25,517,294. It is stated in a certificate by the directors that the Stock Exchange securities in the funds, apart from those hypothecated to the life and annuity departments, showed a surplus over the book values at the prices both of December 31, 1913, and of July 27, 1914. The values of the Stock Exchange

securities in the life and annuity funds will fall to be adjusted at the date of the quinquennial valuation.

Appended to the report are the accounts of the Railway Passengers and Ocean Marine companies.

Those of the Railway Passengers are given in three sections, relating respectively to accident, employers' liability within the United Kingdom, and general insurance. The total net premiums credited to these three accounts amount to £420,206, as compared with £420,063 in 1913, whilst the revenue from profit and interest was £95,601. Dividends of £31,388 were paid. The assets of the Railway Passengers Company at December 31, 1914, amounted to £781,083.

The Ocean Marine Company's account for 1914 shows a premium income of £309,712, as compared with £304,752 in 1913, and the trading profit from the closing of the 1913 underwriting account on December 31 last is reported as £40,140. Interest and rents, less income tax, amounted to £24,356. Dividends, less tax, were paid on account of 1914 to the extent of £19,387. The Ocean Marine assets on December 31, 1914, amounted to £889,278.

Considerable trading profits seem to have been made by both the Railway Passengers and Ocean Marine companies, apart from interest earnings, and the excess of this revenue over the amounts distributed as dividends has been left in the funds. The financial positions of both undertakings are strong, and the dividends paid to the North British and Mercantile Insurance Company have hitherto been allotted on modest and conservative lines. Shareholders are likely to derive increasing benefits from the Company owning the capital of these successful undertakings.

In a year beset by many special difficulties the fact that the dividend to North British and Mercantile shareholders is maintained at the former rate is matter for congratulation. In normal times the trading profit arising from such an extensive business in practically every section of insurance undertaken by joint-stock companies, added to interest earnings, is likely to make itself favourably felt on the volume of profits distributed upon the average in future years. It will be seen from the analysis above given of the profits taken into account for 1915 that interest earnings and life profits aggregated £254,146, which is only short of the amount required for the declared dividends by £13,581, without encroachment on the trading profits of the fire department.

## CALICO PRINTERS' ASSOCIATION.

THE twelve months to June 30, 1914, were quite unsatisfactory for the Calico Printers' Association, nearly all its business being seriously affected by various causes, with the result that exports were considerably lessened, and throughout the twelve months the Association had to face a declining trade. The result was that it was only possible to provide for the Preference dividend by withdrawing a sum of £50,000 from the reserve for equalisation of dividends, and at the annual meeting held in September 1914 the Chairman laid emphasis on the fact that all business came to a standstill when war broke out, and pointed out that the energies of the directors would be devoted to re-establishing gradually trade with such markets as were available, and to the task of capturing as much as possible of the business which in other circumstances would have gone to Continental countries, in the hope of retaining the bulk of it after the War was over. The effect of the absolute dislocation of business was shown in the interim statement made in February last, which showed that before any provision had been made for depreciation and upkeep there was a loss for the first six months of the current year of £110,145. After writing off £102,415 for depreciation and paying £64,000 for Debenture interest, there was a net loss of £276,560. This was

the worst result that the Association has shown throughout the whole of its career, and, consequently, it was not expected that when the results for the full year were available they would provide particularly cheerful reading for the shareholders. It was generally known, however, that matters were showing a slight improvement during the second half of the year, as the cotton trade became more active at the beginning of 1915 than it was during the latter half of 1914. That this has actually proved to be the case may be seen from the fact that the very heavy deficit for the first six months of £276,560 has been reduced to £179,177. Before providing for depreciation, maintenance, &c., there is a profit of £210,818. It is considered necessary to provide a sum of £261,995 for depreciation, so that after making this provision there is a debit balance of £51,177. Debenture interest has called for £128,000, thus bringing up the deficit as stated above, to £179,177. In the circumstances it has been decided, for the first time, to pass the Preference dividend, and in order to provide for the debit balance a sum of £200,000 has been taken from the reserve account, reducing it to £250,000. This enables the directors to show a credit to profit and loss account of £20,823, which added to the sum brought forward gives a carry-forward of £25,545.

To show the manner of the distribution of the profits for the past five years we give the following:—

	1915 £	1914 £	1913 £	1912 £	1911 £
Gross trading profit to June 30	—	—	—	—	775,712
Less head office & other charges	—	—	—	—	35,082
	210,818	443,786	718,851	548,905†	740,630
Depreciation, maintenance, &c., written off	261,995	216,327	216,174	205,020	208,860
	-51,177	227,459	502,677	343,885	531,770
Amount transferred to capital reserve account	—	—	50,000	—	50,000
	-51,177	227,459	452,677	343,885	481,770
Debenture interest	128,000	128,000	128,000	128,000	128,000
	-179,177	99,459	324,677	215,885	353,770
Preference dividend (5%)	—	150,805	150,805	150,805	150,805
	-179,177	-51,346	173,872	65,080	202,965
Ordinary dividend	—	—	75,403	75,403	75,403
	—	—	(3½%)	(3½%)	(3½%)
	-179,177	-51,346	98,469	-10,323	127,562
To revenue reserve accounts	200,000*	50,000*	100,000	4,954	135,000
	20,823	-1,346	-1,531	-15,277	-7,438
Brought forward	4,722	6,068	7,599	22,876	30,313
Carried forward	25,545	4,722	6,068	7,599	22,875

\* Taken from revenue reserve. † Includes £35,000 from reserve for depreciation of stocks, and £50,000 from reserve for the equalisation of dividends.

The share capital in issue remains unchanged at £5,026,840, and the Debenture stock at £3,200,000, but it has been necessary to obtain loans from the bank, which, with overdrafts on current accounts, makes up a total of £550,294. The depreciation account stands at £179,970. There is a capital reserve of £150,000, and a reserve for equalisation of dividends also of £150,000. As pointed out, at June 30 the general reserve amounted to £450,000, but this is now reduced to £250,000. In order to show the position of the Company we set out here-with a synopsis of the balance sheet as at June 30 last:—

LIABILITIES.		ASSETS.	
	£		£
Issued Capital	—	Land, buildings, plant, &c.	6,012,488
5% Cum. Pref. Shares	3,016,104	Cash and bills	33,838
Ordinary Shares	2,010,736	Stock in trade	1,801,569
4% Perp. Debentures	3,200,000	Sundry debtors	1,282,224
Bank loans	550,294	Copper and other rollers	846,173
Sundry creditors	443,643	Profit and loss	174,455
Depreciation account	179,970		
Reserve	450,000		
Capital reserve	150,000		
Dividend reserve	150,000		
	10,150,747		10,150,747

It may be added that only once has there been shown a loss before, and that was in 1901, but the sum brought forward was sufficient to wipe out the deficit. In view of the substantial allowances made for depreciation, maintenance, &c., it may fairly be assumed that contingencies have been duly provided for. There may possibly be some protest on the part of some shareholders on the passing of the Preference dividend, inasmuch as there is a sum of £150,000

to the credit of the dividend equalisation reserve, which was set aside for such a purpose, and the amount required for the Preference dividend is £150,805. It will be generally agreed, however, we think, that the directors have acted wisely in adopting a conservative policy, and that they have decided to keep in hand their resources as far as possible. Doubtless the Chairman at the annual meeting on Wednesday next will deal fully with the situation, and perhaps he will be able to afford the shareholders a certain amount of comfort and cheer as regards the outlook for the current year. Naturally, the prices of the securities are affected by the unsatisfactory results of the past twelve months and the £1 Ordinary share stands at about 6s. 6d. The £1 Preference share is quoted at 12s. 7½d. and the Debenture stock at 6s½.

Amount £	Description	Par £	Price £	Div. %	Yield £ s. d.
5,200,000	1% Preference Shares	100	68½	4	5 16 0
5,010,000	2% Cumulative Preference	1	12 7½	—	—
2,010,000	Ordinary Shares	1	6 6	—	—

## LEYLAND AND BIRMINGHAM RUBBER COMPANY.

THE profits recorded by the Leyland and Birmingham Rubber Company, the well-known manufacturing concern which was formed in 1898, have shown fairly severe fluctuations. The Company's career, however, has on the whole been quite prosperous. It has an authorised share capital of £400,000, of which £299,757 has been issued, of which £268,257 consists of Ordinary shares, the balance of £31,500 being Preference shares. There is a reserve fund of £45,000. The total assets are valued at £481,258, of which land, buildings, plant, goodwill, &c., are valued at £253,537, this being the net amount, a sum of £60,049 having been written off for depreciation. The cash in hand at June 30 last was £31,385. Here-with we set out the position of the Company as at June 30 last:—

LIABILITIES.		ASSETS.	
	£		£
Issued Capital—		Land, buildings, &c....	253,537
Ordinary shares	268,257	Share debentures	108,883
Preference shares	31,500	Investments	3,789
	299,757	Stock	83,673
Surplus Reserves	78,434	Cash	31,385
Reserves	120,000		
Profit and loss	64,030		
	481,258		481,258

The Company's head office is at Leyland, near Preston, and it has branches elsewhere in the United Kingdom and at Johannesburg, Buenos Ayres and Calcutta. The worst year experienced was that for June 30, 1905, when the profits only amounted to £9,508 and the dividend was as low as 2½ per cent. Naturally the twelve months to June 30, 1911, were also poor ones for the Company in consequence of the abnormal price to which raw rubber was rushed up. For that year the profits were £12,491; but the Company was able to make a distribution of 5%. The three years following 1911 were good ones, and for each year the Company was able to make a distribution of 7½%. For the twelve months to June 30, 1915, profits have taken a big step forward, and the year has proved the most prosperous in the history of the Company. The profit has amounted to £64,030, as compared with £43,900 for the previous year, and it has been possible to increase the dividend to 12½%. The Company's profit and dividend record since 1900 may be seen from the following statement:—

June 30	Profits £	Dividend %	June 30	Profits £	Dividend %
1915...	64,030	12½	1907...	20,414	14,597
1914...	43,900	20,119	1906...	27,592	14,597
1913...	59,176	20,119	1905...	9,508	5,839
1912...	39,173	20,119	1904...	13,789	11,678
1911...	12,491	12,413	1903...	29,940	20,436
1910...	33,039	20,119	1902...	27,609	17,517
1909...	35,353	20,119	1901...	28,883	17,517
1908...	37,995	20,119	1900...	21,721	14,597

After payment of the 12½% dividend for the past year there is a surplus of £12,884. Of this £10,000 is carried to reserve, and the balance of £2,884 is added to the carry-forward, bringing it up to £27,311. The manner of distributing the profits for each of the past five years may be seen from the following statement:—

	1915	1914	1913	1912	1911
Preference profits	11,000	11,000	30,176	39,173	12,491
Ordinary profits	15,724	9,110	7,034	8,795	5,766
Preference dividend	18,000	18,881	20,142	20,178	6,795
	1,880	1,008	1,000	—	—
	40,416	32,953	21,354	30,378	6,795
Dividend	33,532	20,119	20,119	20,119	13,413
	6,884	12,834	1,235	10,259	3,382
Reserve	12,884	12,884	12,884	10,000	10,000
	12,000	12,000	—	—	—
Brought forward	2,884	7,884	12,884	20,119	10,000
	21,427	16,000	12,884	10,000	10,000
Carried forward	27,311	21,427	16,000	12,884	10,000

The past twelve months have naturally been favourable to the Company; the price of raw rubber has been maintained fairly steady, and on the whole may be regarded as at a low figure. Hence the Company has experienced benefit in the purchase of its supplies of raw material. On the other hand, the large demands exhibited for manufactured articles, both for ordinary trade and also in connection with abnormal war demands, has meant that the prices for manufactured articles have been at sufficiently high figures to give a satisfactory profit. These conditions seem likely to continue. There is no doubt that the demands for manufactured rubber articles of all kinds will proceed at an increasing pace, and as it is most improbable that the industry will have to face a period of abnormal prices for the raw material, as was the case during the recent rubber boom, the outlook for rubber-manufacturing companies appears to be good, and, consequently, the future of the Leyland and Birmingham Rubber Company, which occupies an important position in the industry, may be taken as one of steady prosperity. The present price of the £1 Ordinary share is 26s. 9d., and on the basis of a 12½% distribution the yield afforded is as high as £10 2s. 3d. per cent. As the Company should have no difficulty in maintaining this rate for the current year the high yield is distinctly attractive.

ALLIANCE TRUST Co.—Interim dividend at the rate of 19% on Ordinary stock, less tax.

EOW SENG RUBBER Co.—Interim dividend of 10% for the year ending December 31, 1916.

SELABA RUBBER ESTATES.—Interim dividend of 8% (actual) on paid-up capital.

SUNGEI SALAK RUBBER Co.—Interim dividend of 10% (actual), less tax.

SMITHFIELD AND ARGENTINE MEAT Co.—Interim dividend at the rate of 10% per annum, tax free.

LINGGI PLANTATIONS.—Interim dividend on Ordinary shares of 15% (actual).

RUBBER ESTATES OF JOHORE.—Interim dividend of 5% (actual) on paid-up capital.

BANTENG (SELANGOR) RUBBER ESTATES.—Final dividend of 7½% in respect of the year ended April 30, 1915, making a total of 12½% for the year.

GOLDEN HOPE RUBBER ESTATE.—Interim dividend of 5% (actual).

PATALING RUBBER ESTATES SYNDICATE.—Interim dividend of 30% (actual).

VAN DEN BERGHS.—Interim dividend of 10% (actual) on Ordinary.

BRITISH TOBACCO Co. (AUSTRALIA).—Interim dividend of 3% on the Ordinary shares.

IBOTSON BROTHERS.—Final dividend recommended of 4s. per share, making 7½%, tax free, for the year.

AMERICAN INVESTMENT TRUST Co.—Interim dividends for half-year at the rate of 5% per annum on the Preferred stock, and at the rate of 6% per annum on the Deferred stock.

FOREIGN, AMERICAN AND GENERAL INVESTMENTS TRUST Co.—Interim dividends for the half-year ending September 15 at the rate of 5% per annum on the Preferred stock, and at the rate of 4% per annum on the Deferred stock.

MOLSON'S BANK, MONTREAL.—Dividend of 2½% for quarter ending at the rate of 11% per annum upon the Capital stock.

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CHAS. WINDETT, Actuary and Secretary.

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6 PAUL STREET, FINSBURY, LONDON, E.C.

Capital Authorised - £500,000.	Capital Paid up - £108,507.
Capital Subscribed - £129,000.	Invested Funds exceed £699,000.

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Whole-Life and Endowment Assurance.

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The "City" Life Assurance and House Purchase Policy.

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Active Agents wanted. Liberal Terms. Exceptional opportunities for early promotion to lucrative positions.  
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M. GREGORY, General Manager.

## COMMERCIAL UNION

ASSURANCE COMPANY, LIMITED.

Chief Office - CORNHILL, LONDON.

Total Assets (including Life Funds)—£26,774,505.

## ROYAL INSURANCE COMPANY, LIMITED.

Total Funds - £20,409,644

FIRE, LOSS OF PROFITS,  
MOTOR CAR, MARINE, LIFE,  
ACCIDENT, FIDELITY,  
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## Commercial.

### COAL AND STEEL.

The export of Scottish coal is passing through an unexpected period of quietness, and the market is very much easier. European countries do not appear to be under pressing need for coal, although it was expected that an increased demand would be felt at the beginning of this month.

Licences are being granted freely now, any little delay that takes place being due to some individual or departmental oversight. On the other hand, tonnage is scarce and freights high. In some cases, indeed,

freights have again touched the record figure established early in the year. No really reliable explanation of the unexpected drying up of the demand is forthcoming, though it is suggested that the French railways are so much occupied with Government transportation work that there is a great shortage of waggons for ordinary commercial traffic.

The embargo on exports to Sweden continues, but in the case of other countries to which export is now unrestricted no particular cause for the relaxation of the demand for fuel is assigned. It cannot be that big stocks of coal have been built up in these countries during the summer. The course of trade since August 1914 does not bear out such a suggestion, and we are only entering the period during which a comparison with the trade of last year is possible. The figures for August of both 1914 and 1915 are now issued, but to set the dissimilar figures for these two months one against the other would be misleading.

Until the real causes of the declining demand are known it would be useless to endeavour to forecast the probable course of trade during the coming months, yet Scottish exporters are not without hope that a greatly increased demand will arise with the shorter days and cold weather. Should their hope be well founded they will be in a more satisfactory position to meet the increased demand for the reason that the miners' union has decided to recommend all their members to work eleven days a fortnight instead of the customary ten. With the exception of Lanarkshire that policy has been carried out for some months in Scotland. The inclusion of Lanarkshire will mean a considerable acceleration of the output, and as the home trade is already well provided for the increase of the output will meet the anticipated increase in the demand abroad.

Conditions in the steel and iron industries are much the same as reported three weeks ago. Any change is in the way of increasing the pressure of Government work, with which the present equipment is inadequate to deal. Unfortunately its extension is limited by the number of workers available. Until additional hands are recruited and trained, any further extension of plant is entirely out of the question. There are works in Motherwell, Coatbridge and other places lying idle because there are no workers for them. In spite of that serious state of affairs the recruiting drum is being vigorously beaten in the area and skilled workers with an ache for the trenches are enlisting under assumed names and disclaiming any knowledge of the manufacture of steel.

The effect of the first-class business which has gone the way of Scottish steel and iron makers owing to the War has secured the financial foundations of some firms more strongly. The latest report issued is that of the Steel Company of Scotland, showing a profit of £117,635 and an available balance of £135,232, for the year ending on July 21. For the previous year the profit was £41,145 and the available balance £54,553.

## AMERICAN COTTON.

LIVERPOOL, Thursday.

Our market continues very active, with prices advancing rapidly, the gains for the fortnight being nearly  $\frac{1}{2}d.$  per lb. for American and nearly  $\frac{3}{4}d.$  per lb. for Egyptian cotton. To-day, after American cotton had touched the highest price recorded since the market reopened in November last year, there was a set-back of a few points, and the closing rates for January-February delivery, American, are 6.47d., and for January, Egyptian, 9.16d.

The market has been influenced by very unfavourable crop news, which has resulted in a very considerable modification of the market's ideas about the size of the crop. It is very probable that current views regarding the crop are unduly pessimistic, just as they were a short while ago, when talk of a crop

of over 11,000,000 bales was prevalent—too optimistic. Our own cables still point to a crop of about 12,000,000 bales, which, if obtained, together with last season's carry over, ought to provide ample supplies for the world's necessities, and would not justify higher prices.

A great many people have been persuaded that a crop of 12,000,000 bales is now absolutely out of the question, and that the total yield cannot, under any circumstances, be other than a very short crop, and that, therefore, prices ought to advance. This belief has induced buying from various quarters, and during the last few days heavy buying for Bombay interests has been a noticeable feature of the trading, while orders from our Continental allies have also been in evidence.

In America "bullish" sentiment appears general. New York brokers are providing their clients with the information and views the latter apparently desire to receive, and the "dope" is having the desired effect in the shape of good orders. The outside American public is buying freely, and the two prominent New Orleans and Texas operators have emerged from their obscurity of recent years and are once more posing as the leaders of a "bull" campaign. Meanwhile, the "bull" fever must run its course, but conservative houses think the advance has gone far enough, and recommend caution. As is usual in strong markets, holders of spot cotton in America are very stiff as regards basis, and our local importers can only buy at prices which show a very slender margin of profit, if any, on the probable price obtainable in Liverpool when the cotton arrives. Here and there purchases are being made, but the quantity being bought is not sufficient to give any real relief to the market in the way of hedge selling. In America prices for "futures" are over the spot parity, and there is now a profit in shipping from the South to tender against the New York contract.

Here a very large business has been done at a basis on "futures" hardening against the buyer. This season spinners have not been able to buy as much as usual in c.i.f. and 6% cotton, and in shipments, and in consequence have been buying a larger proportion of their needs out of the stock here. With much less cotton pointing here than at one time seemed likely, our stock may run to a lower total than was the prospect a few weeks ago.

### KNIGHT CENTRAL.

In the June quarter there were some sharp market movements in the shares of this Company, and assertions were made that exploratory developments south of the dyke were productive of some good features; hence a rise in the price of the £1 shares from 5s. 6d. to about 8s. 6d. An inquiry was cabled from the London office to the head office in Johannesburg, and elicited a reply that was not considered of much importance. It was to the effect that 90 feet sampled on *South Reef* at the 16th level and in an easterly direction from the west shaft had shown an average of 31s. 5d. over 54 inches, the last 5 of the 90 feet of driving having indicated 22s. 1d. over the same width. Previous development operations to the south of the dyke had, however, been of quite unpayable character. On Tuesday this week there was another market spasm on cabled advice that the *Main Reef* had been intersected south of the dyke at the 17th level, west shaft. Four samples taken were reported to show an average of 95s. 1d. over a width of 40 inches. During the week the price at one time advanced to 12s., but reacted somewhat from the best.

In THE STATIST of June 26, 1915, we referred to this Company's position and gave a plan of the property.

### WEST RAND CONSOLIDATED.

THEIR 100,000 shares of this Company, which, after remaining for a protracted period at a price of about 6s. per share, have steadily appreciated by about 30%, being now quoted in the region of 8s. per share. It must be remembered that besides the property of the West Rand, which covers a huge area, there is the additional fact, referred to by the Chairman of the Company at the last annual meeting, that the West Rand Consolidated has acquired some 110 claims of the adjoining Lancaster mine for the inconsiderable consideration of £5,500. Now the Lancaster mine during the time it was working relied upon Battery reef ore—evidently a continuation of the reef being worked in the West Rand Company's area. In the West Rand Consolidated's ground, at the 10th level, east drive—only a few feet from the extra area recently purchased—values have been shown of 7 to 7½ dwt. over the stopping width.

### OROVILLE AND NECHI.

If the results of dredging operations at the Nechi property, which commenced at the beginning of September, come up to anticipations the shares of both the Oroville and the Nechi may be expected to further appreciate in value. Oroville £1 shares are now quoted at about 15s., and Nechi 10s. Preference shares (8s. paid) at 12s. 6d. The latter are entitled to return of capital—which is expected to be accomplished in a few months—and then to receive 25% cumulative preference dividend. The proved dredging area, which is very rich, is estimated to contain sufficient ground to last about seven years.

ARMSTRONG (SIR W. G.), WHITWORTH AND Co. —Interim dividend for the half-year ended June 30 last at the rate of 10% per annum on Ordinary shares.

YOKOHAMA SPECIE BANK.—Dividend of 12% per annum for the half-year ended June 30 last. 400,000 yen placed to reserve, and 1,350,000 yen carried forward.

## POOLING INSURANCE.

THE MOST

**Economical, Perfect, and Complete**

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**MUTUAL INSURANCE**

**WITHOUT LIABILITY.**

FIRE,  
MOTOR,  
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&c.



EMPLOYERS'  
LIABILITY,  
FIDELITY,  
&c.

The business is strictly confined to non-hazardous risks in Great Britain.

All profits (less 5% guarantee premium) are returned to the Insured in the form of discounts from renewal premiums.

These facts present the prospect of unparalleled advantages to members of the "Pool."

## MEETINGS OF PUBLIC COMPANIES.

### ANGLO-FRENCH EXPLORATION COMPANY, LIMITED.

By order of the Court, separate meetings of the holders of Preference and Ordinary shares in the Anglo-French Exploration Company, Limited, were held on September 15 at Salisbury House, London Wall, E.C., for the purpose of considering a scheme of arrangement with regard to the Preference share capital of the Company. Mr. F. A. Robinson (Chairman of the Company) presided.

The Secretary (Mr. S. D. Thomson) having read the notice convening the meeting of Preference shareholders,

The Chairman said: I do not think it will be necessary for me to detain you for any length of time, as all particulars of the scheme have been placed before you in the circular and other documents which you will have received. It is clear that the great majority of the shareholders, both Preference and Ordinary, approve of the proposals, as the number of votes received from both classes in favour of the scheme is simply overwhelming as compared with the very few against it. In the case of the Preference shareholders we have received no less than 301,255 votes, out of which 299,564 votes are given in favour of the scheme and only 1,691 are given against it, this small minority being represented by only seven shareholders. In the case of the Ordinary shareholders we have received, for their meeting which follows this, 175,832 votes, out of which 175,581 are in favour and only 251 against, the latter being represented by only three shareholders. The voting is therefore almost unanimous in favour of our proposals. The Chairman concluded by moving a resolution approving the scheme.

#### Return of Capital.

Mr. Ernest G. Mocatta, in seconding the resolution, said he considered the proposal to be in the interests of the Preference shareholders as well as in the interests of the Company as a whole. The Preference shareholders held a security which was certainly a fairly good one, having paid its dividends regularly since the time of issue, but which did not enable the holders to rely absolutely under present conditions on a regular continuity of those dividends; nor would they be able to call for the repayment of their capital in case the Company was not able to pay those dividends. Under the scheme they would have a portion of their capital returned, and this they could certainly re-invest very favourably under present circumstances, while for the balance they would get Debentures bearing interest at the rate of 4½% per annum which were an excellent security, and which could but improve in value as the Debentures were gradually redeemed.

Mr. Nathan said that, in view of the number of proxies which the Chairman had announced, it seemed futile to make any remonstrance against the proposal, which, however, he did not consider equitable to the Preference shareholders.

Mr. Byrne regarded the scheme as a practical one from the point of view of the Preference shareholders, but suggested that the holders of the Debentures should have the right to convert into Ordinary shares at par.

#### An Equitable Scheme.

The Chairman said the directors had had great difficulty in arranging the scheme so that they might hold the balance equally between the two classes of shareholders, and they thought that if there were any advantage it was on the side of the Preference shareholders. They were getting a return of 40% of their capital in cash, and if they invested that at the same rate as that which had been paid on the Preference capital shareholders would be getting on the average rather more than 5% on the whole amount. In addition, they must not forget the great advantage they were getting in the redemption of the Debentures. The shares had been at a discount in the market, but the Debentures would be repayable at par in the course of 20 years, and taking 10 years as the average period the redemption was worth another 1%. He was afraid it was not possible to arrange for any conversion rights in connection with the Debentures. Answering further questions, he said the directors had not the slightest intention of increasing the amount of Debentures. They would be bound to draw £15,000 worth of Debentures for redemption each year at par, but they had taken the right to buy any further amount in the market if they were below par.

The voting on the scheme resulted as follows: In favour, 334,690 votes; against, 1,865 votes. The resolution was accordingly declared carried by a very large majority.

#### MEETING OF ORDINARY SHAREHOLDERS.

Presiding at the meeting of Ordinary shareholders, the Chairman said that in the scheme submitted he thought that the directors had been successful in striking the happy medium between both classes of shareholders. The number of votes received from Ordinary shareholders in favour of

it was 175,581, and only 251 had been received against, so that for every vote recorded against the scheme there were over 700 votes in favour of it. (Applause.) What was even more gratifying to the board was that out of over 1,000 Ordinary shareholders who had sent proxies for this meeting there were only three who had voted against the scheme. This was a very definite and conclusive expression of opinion—indeed it was practically unanimous. The only further remark he wished to make was that in order to carry out the scheme they would not require to dispose of any of their holdings in mining shares. He concluded by moving the formal resolution.

Mr. Mocatta also seconded this resolution.

The voting resulted as follows: In favour of the scheme, 187,242 votes; against, 751.

An extraordinary general meeting was then held for the purpose of submitting resolutions giving effect to the scheme.

The Chairman, in moving the resolution for the reduction of capital, said the directors had received in favour of the scheme 175,411 votes, and against it 1,435 votes. The number of shareholders voting in favour was 1,022, while only 3 had voted against.

Mr. Louis Ochs seconded the resolution, which was carried on a show of hands by 22 votes to 1, and a further resolution authorising the proposed Debenture issue having been agreed to, a vote of thanks to the Chairman closed the proceedings.

NATIONAL BANK OF SOUTH AFRICA, LIMITED, LONDON.—A cable advice has been received from the head office, Pretoria, intimating that agencies of the Bank have been opened at Gingshlovu and Melmoth, Natal Province, and Walvis Bay, in the territory hitherto known as German South-West Africa.

NATIONAL TRUST CO. OF TORONTO, CANADA, have been appointed executors to the estate of over \$4,000,000 of the late Edward Chandler Walker, of the firm of Hiram Walker and Sons, Limited, of Walkerville, Ontario.

### ANOTHER WORD ON CONTRIBUTIONS TO THE WAR.

#### Patriotism in Business.

When we Britons talk to one another of the cost of the War, we mean, of course, Britain's cost.

Like British firms, foreign manufacturers are contributing men, materials and money to their respective countries—and many generous gifts besides. We neither belittle what they are doing nor impugn their patriotism.

But there is a patriotism in business which we can specially observe, and we must remember that whilst foreign-made goods purchased in this Country increase our indebtedness abroad, the purchase of British goods enables home manufacturers to contribute to Britain's cost of the War in a way no foreign manufacturer can.

Are you buying Dunlop tyres?

#### DUNLOP RUBBER CO. LD.

Founders of the Pneumatic Tyre Industry throughout the World,

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Kilburn, N.W.

## Correspondence.

## BOARD OF TRADE RAILWAY RETURNS.

To the Editor of THE STATIST.

SIR.—The following contrast should interest THE STATIST and its readers. I have just received the Board of Trade Railway Returns for the United Kingdom for the year 1914. They cover one side of a sheet of foolscap, and the price is  $\frac{1}{4}$ d. At the bottom of the return is printed the following note:

"In consequence of the War no further returns will be published for the year 1914 regarding the statistics of the railway companies of the United Kingdom."

I have recently received the reports of all the railway companies of France. They are absolutely in the usual form, and give the full normal statistics, unaltered and unabridged. Even the Nord, a large part of whose district is actually occupied by the enemy, finds no difficulty in stating what they have spent, what they have received, and what traffic they have carried. The number of passengers under all classes; the number of tons of freight, *grande vitesse* and *petite vitesse*; the number of train miles run; the amount spent for fuel, permanent-way maintenance, wages, &c., are all given just as usual.

It would be interesting if someone would ascertain, by inquiry in the House of Commons or otherwise, why the Board of Trade think proper to fob us off with this mighty poor ha'porth.

I am, Sir, yours, &amp;c.,

September 11, 1915. A CONSTANT READER.

## MISCELLANEOUS.

BAGAN SERAI CO.—Interim dividend of 10% (actual), less tax.

BAKER (CHAS.) AND CO.—Interim dividend on Ordinary shares at the rate of 5% per annum, less tax.

BIRMINGHAM SMALL ARMS CO.—Dividend of 5% on Ordinary, also a bonus of 2s. per share, making 20% for the year.

BOLCKOW, VAUGHAN AND CO.—Dividend at the rate of 6% per annum on Ordinary shares for the year ended June 30, less tax.

CAMMELL, LAIRD AND CO.—Interim dividends on the Preference and Ordinary shares of  $2\frac{1}{2}\%$ , being 2s. 6d. per share, less tax.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.—Interim dividend for half-year at the rate of 14% per annum, tax free.

COLONIAL BANK.—Dividend of 3% for half-year.

COMMERCIAL BANK OF AUSTRALIA.—Dividend of 4% per annum on Preference shares, leaving £9,575 to be carried forward.

KERN RIVER OILFIELDS OF CALIFORNIA.—Dividend for twelve months at rate of 8% per annum, less tax.

MONTGOMERY, WARD AND CO.—Quarterly dividend of  $1\frac{1}{2}\%$  on the Preferred stock.

NEW ZEALAND AND AUSTRALIAN LAND CO.—Final dividend on Ordinary stock of 5%, with a bonus of 5%, less tax.

NORTHERN BANKING CO.—Dividend for half-year at the rate of 13% per annum on the "A" shares and  $6\frac{1}{2}\%$  per annum on the "B" shares, less tax.

OGLIVIE FLOUR MILLS CO.—Quarterly dividend at 2% on Common shares.

PENNSYLVANIA WATER AND POWER CO.—Quarterly dividend of 1% on Common stock.

PRINCE LINE.—Final dividend of 15%, making 19% for the year.

RIO DE JANEIRO CITY IMPROVEMENTS CO.—Interim dividend at rate of 5% per annum, less tax.

SELANGOR RIVER RUBBER.—Interim dividend of 10%, free of tax.

SHAWINIGAN WATER AND POWER CO.—Dividend of  $1\frac{1}{2}\%$  on Common stock for quarter.

SMITH (S.) AND SONS (MOTOR ACCESSORIES).—Dividend of 10%.

TENOM (BORNEO) RUBBER CO.—Interim dividend of  $7\frac{1}{2}\%$ , less tax, on Ordinary.

ULSTER BANK.—Dividend for half-year of  $21\frac{1}{4}\%$  per annum, less tax.

WORKINGTON BREWERY CO.—Interim dividend on Ordinary at rate of 4% per annum.

## RAND GOLD OUTPUT.

The Rand's production of gold according to the Transvaal Chamber of Mines is contrasted below:—

		Tons Milled and Yield per Ton		Value £
		Tons	Yield	
1912	...	25,486,361	29/0	37,182,748
1913	...	25,628,432	27/9	35,812,605
1914.				
First half	...	12,308,282	26/11	16,609,705
Second half	...	12,791,772	26/3	17,514,729
Year 1914	...	25,701,954	26/7	34,124,434
1915.				
January	...	2,237,748	26/2	2,930,156
February	...	2,077,792	26/6	2,774,673
March	...	2,366,392	26/11	3,082,810
April	...	2,289,002	26/7	3,046,579
May	...	2,416,966	25/11	3,133,772
June	...	2,346,493	26/3	3,042,024
6 months	...	13,734,393	26/4	18,600,014
July	...	2,395,397	26/4	3,163,980
August	...	—	—	3,163,981

The returns of natives recently employed in gold mining are as follows:—

—1915—									
Aug.	July	June	May	April	Mar.	Feb.	Jan.		
176,866	190,026	184,155	183,961	186,941	185,239	180,422	172,331		

**Robinson Deep.**—£1,000,000, in £1 shares 180 stamps and 10 tube mills, capacity 65,000 tons.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price			
Mar. 31	Stps.	Milled	ing	Amt.	Per ton	Amt.	Per ton	end of	
			%	£		£		Period	
1914-15...	119av.	585,730	8½	827,214	28/3	510,156	17/5	317,059	10/10
1915-16.									
June q.r. 130	162,000	6½	224,663	27/8	148,269	18/3	76,394	9/5	1½
July ...	55,700	6½	74,650	26/9	49,616	17/10	25,034	8/11	1½
Aug. ...	55,000	—	75,941	28/7	49,940	16/10	26,001	9/9	1½
Reserve gold : April, 1,714; May, 1,031; June, 1,031; July, 1,610 oz.									
Dividends—1914, June, 12½; Dec., 10 per cent.									
1915, June, 10 per cent.									

**Robinson G.M.**—£2,750,000, in £5 shares. Six tube mills. Sundry revenue and accumulated slimes profit not included in yearly figures.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price				
Dec. 31	Stps.	Milled	ing	Amt.	Per ton	Amt.	Per ton	Period		
			%	£		£		—		
1914 ...	250	638,000	6½	1,027,092	32/2	454,906	14/3	572,186	17/11	
1915.										
Mar. q.	250	170,400	4½	247,178	29/0	115,464	13/7	131,715	15/5	1½
June q.	250	175,900	4½	256,856	29/2	117,076	13/4	139,780	15/10	1½
July ...	—	55,000	2½	80,476	29/1	39,006	14/2	41,470	14/11	1½
Aug. ...	—	55,500	—	80,884	29/1	39,274	14/1	41,610	15/0	1½

Dividends—1914, June, 9 per cent. and bonus of 10 per cent.  
Dec., 9 per cent.  
1915, June, 8 per cent.

**Rose Deep.**—Capital, £700,000, in £1 shares, all issued. Seven tube mills.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue Amt. Per Ton	Expenses Amt. Per Ton	Profit Amt. Per Ton	Price end of Period			
1914	300	735,122	14½	890,976	24/4	610,562	16/7	280,414	7/9	
1915.										
Mar. q. r.	300	179,300	13½	221,848	24/9	154,870	17/3	66,978	7/6	1½
June q. r.	300	198,400	13½	244,615	24/8	166,232	16/9	78,383	7/11	1½
July	...	68,600	13½	81,196	23/8	57,714	16/10	23,482	6/10	1½
Aug.	...	69,700	—	85,778	24/6	57,376	16/5	28,402	8/1	1½

Dividends—1914, June, 20; Dec., 15 per cent.  
1915, June, 17½ per cent.

**Unified Main Reef.**—£250,000, in £1 shares. Tube-mill plant has been erected.

Year to Dec. 31	Stps.	Tons Milled	Sort- ing %	Revenue £ Amt. Per ton	Expenses £ Amt. Per ton	Profit £ Amt. Per ton	Price end of Period
1913 ...	60	147,390	16½	183,798 25/7	131,220	17/7 58,578 8/0	2
1914 ...	60	155,540	15	169,450 21/9	108,122 13/11	61,328 7/10	—
1915.							
Mar. q.r.	60	39,800	13½	41,088 20/8	25,766	12/11 15,322 7/9	3
June q.r.	60	39,790	13½	39,973 20/0	25,114 12/6	14,865 7/6	3
July ...	—	13,900	—	14,061 20/8	8,853 13/0	5,208 7/8	3
Aug. ...	—	13,900	—	14,062 20/3	8,932 13/0	5,150 7/3	3

Dividends—1913, June, 10; Dec., 10 per cent.  
1914, June, 10; Dec., 10 per cent.

**Wolhuter.**—£860,000, in £1 shares. Four tubes.

Year	Stps.	Tons	Sort-	Revenue	Expenses	Profit	Price
Oct. 31		Milled	ing	Amt.	Amt.	Amt.	Per ton end of
		%		Per ton	Per ton	Per ton	Period
1913-14	120	362,700	10½	478,995	25/0	325,137	17/0 153,858 8/0
1914-15.							
Jan. q.r.	120	96,400	17	116,528	24/2	81,610	17/0 34,918 7½
Apr. q.r.	120	96,350	16½	119,914	24/11	84,985	17/8 34,929 7/3 14/0
July q.r.	120	107,000	14	128,347	24/0	88,788	16/3 41,549 7/9 —
Aug. ...		35,900	—	43,355	24/1	29,334	16/4 14,021 7/9 12/0

Dividends—1914, April, 6½; Oct., 6½ per cent.  
1915, April, 6½ per cent.

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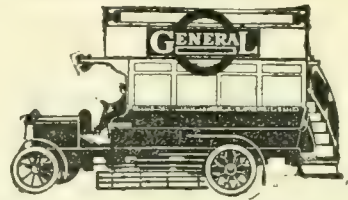
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### A RAMBLE THROUGH THE PITT COUNTRY.

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The walk may be shortened by returning to Bromley by Route 136, which passes the Holwood swing gate

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References:—  
Bank of Scotland. Canadian Bank of Commerce.

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 Capital Paid up - \$11,560,000  
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 Aggregate Assets - \$180,000,000

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ALEXANDER LAIRD, General Manager.

JOHN AIRN, Assistant General Manager.

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Reserve Fund ... \$2,773,972

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HEAD OFFICE—TORONTO.

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CAPITAL PAID UP ... \$7,000,000

RESERVE FUND ... \$7,000,000

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SETTLERS and others going out to any of the Provinces named afforded exceptional Banking facilities.

AGENTS: ENGLAND—LLOYDS BANK LIMITED, 17 Cornhill, London, E.C., and Branches.

AGENTS: SCOTLAND—THE COMMERCIAL BANK OF SCOTLAND, LIMITED, and Branches.

DRAFTS issued upon and remittances cabled to any point in CANADA by the Agents of the Bank in England and Scotland, through whom inquiries regarding Canadian securities and business generally can be made and will be promptly attended to.

**CANADA.****THE BANK OF BRITISH NORTH AMERICA.**

Established 1856.

Incorporated by Royal Charter, 1840.

PAID-UP CAPITAL £1,000,000 RESERVE FUND £620,000. Head Office: 5 GRAFTON STREET, LONDON, E.C.

COUNCIL OF DIRECTORS:

F. R. S. Balfour, E. Geddes Hoare.

J. H. Brodie, F. Laiback.

J. H. Mavor Campbell, C. W. Tuckson.

E. A. Hoare, G. D. Whitman.

Deposits received at rates which may be obtained on application.

Drafts, Letters of Credit, Telegraphic Transfers.

Are issued by the London Office up in the Chief Cities and Towns throughout Canada and the United States.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

**THE MECHANICS AND METALS NATIONAL BANK**

ESTABLISHED 1871

CAPITAL FULLY PAID UP ... \$1,000,000  
 SURPLUS AND UNDIVIDED PROFITS ... \$1,000,000  
 THIS BANK RECEIVES ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS, AND INDIVIDUALS ON FAVOURABLE TERMS, AND GRANTS TO ITS DEPOSITORS EVERY FACILITY CONSISTENT WITH PRUDENT AND CONSERVATIVE BANKING METHODS. CORRESPONDENCE INVITED.

FOREIGN DEPARTMENT.

Finances Exports and Imports, buys and sells Foreign Exchange, Telegraphic Transfers, &c., and makes Collections on all parts of the world.

LONDON BANKERS:

LONDON JOINT STOCK BANK LTD  
 LONDON CITY AND MIDLAND BANK LTD.

**THE EASTERN BANK, LIMITED.**

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T.

(Chairman).

Sir JACOB E. SASSOON, Bart. EMILE FRANCOU, Esq.

J. O. GEORGES BOULLAT, Esq. J. S. HASKELL, Esq.

G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

**THE UNION BANK OF AUSTRALIA, Limited.**

ESTABLISHED 1837. INCORPORATED 1880.

Authorised and Issued Capital, £6,000,000.

Paid up Capital £2,500,000 together £3,960,000

Reserve Fund £1,960,000

Reserve Liability of Proprietors .. 4,000,000

Total Capital and Reserve .. £7,960,000

HEAD OFFICE: 71 CORNHILL, LONDON, E.C.

DRAFTS are granted on the Bank's branches throughout the Australian States and Dominion of New Zealand.

TELEGRAPHIC REMITTANCES are also made. BILLS are purchased or sent for collection.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE WESTERN AUSTRALIAN BANK.

Established 1841.

Paid-up Capital ... £250,000 0 0

(25,000 Shares of £10 each)

Reserve Fund ... £680,000 0 0

Reserved Profits ... £21,878 0 0

Reserve Liability of Shareholders, £250,000.

Drafts issued, Remittances cabled, Bills negotiated or collected. Deposits received for fixed periods at rates to be ascertained on application, and all Banking and Exchange Business connected with Western Australia conducted through the London Agents.

The Bank of Adelaide, 11 Leadenhall Street, E.C.

DEPOSITS are received for fixed periods on terms which may be ascertained on application.

THE BANK OF ADELAIDE, 11 LEADENHALL STREET, E.C.

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**THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.**

CAPITAL FULLY PAID ... \$3,000,000  
 SHAREHOLDERS' LIABILITY ... \$3,000,000  
 SURPLUS AND PROFITS ... \$6,880,000

President—E. F. SHANBACKER.  
 Vice-President—JAMES HAY.  
 Vice-President—FRANK G. ROGERS.  
 Cashier—R. J. CLARK.  
 Assistant Cashier—W. A. BULKLEY.  
 Assistant Cashier—W. K. HARDT.  
 Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—  
 "FOUR BANK," SAMUEL MONTAGU & CO  
 LONDON CITY AND MIDLAND BANK, LTD.  
 LLOYDS BANK LTD.

**NATIONAL BANK OF INDIA LIMITED.**

Bankers to the Government in British East Africa and Uganda.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya
Bombay	Chittagong	Zanzibar
Madras	Rangoon	Mombasa
Karachi	Mandaly	Nairobi
Cawnpore	Aden and	Nakuru
Lahore	Aden Point	Kisumu
Amritsar	Colombo	Entebbe
Delhi	Kandy	Kampala
Tuticorin		Jinja

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

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# The Statist,

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REGISTERED AT THE GENERAL POST OFFICE AS A NEWSPAPER.

PUBLISHED WEEKLY.

VOL. LXXXV.—No. 1,961.] SATURDAY, SEPTEMBER 25, 1915.

PRICE 6d.  
POST FREE (U.K.)

## SALES BY AUCTION.

### JOHN HOARE AND CO.

will Offer for SALE by PUBLIC AUCTION at the WOOL EXCHANGE, Coleman Street, E.C., on Saturday, 11th September, Monday, 20th September, and Tuesday, 28th September, 9,200 Bales AUSTRALASIAN WOOL, 5,000 " PUNTA ARENAS WOOL, 500 " FALKLAND ISLANDS WOOL, 800 " ENGLISH WOOL. Catalogues in due course of JOHN HOARE and CO., 73 Basinghall Street, London, E.C.

### BANCO DE CHILE.

London Agency—

94 GRACECHURCH STREET, E.C.

Chilian Dollars.  
Paid-up Capital ... .. \$40,000,000  
Reserve Fund ... .. 22,000,000  
Reserve Liability of Shareholders 40,000,000  
Head Offices: Santiago and Valparaiso.  
Branches in all parts of Chile.

The London Agency transacts every class of Banking business with Chile. Current accounts also opened and deposits received.

### CREDITO ITALIANO.

Capital fully paid and Reserve ... £3,460,000

Head Office: MILAN.

The Bank has Branches at Genoa, Rome, Turin, Naples, Florence, Catania, Bari, and numerous other important towns in Italy.

LONDON BRANCH:

22 ABCHURCH LANE, E.C.

Managers: I. GEORGE MANZI-FE.

DAVID A. HORNER.

Transacts a general Foreign Banking Business, having Correspondents in all European Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.  
Telegrams: "Italcordi, Cable, London."  
Telephones: 7802, 7803 City.

### LONDON BANK OF AUSTRALIA LIMITED.

71 Old Broad Street, E.C.

Subscribed Capital ... .. £1,276,747 10 0  
Paid-up Capital ... .. 669,587 10 0

Reserve Fund and Undivided Profits ... .. 328,317 13 0  
Reserve Liability of Proprietors 607,169 0 0

Remittances made by Cable, Drafts, Letters of Credit and Circular Notes issued upon Branches and Agents. Bills on Australasia negotiated or sent for collection. Deposits received for periods and at rates which may be ascertained on application, and every description of Banking business conducted with Australia.

### HONGKONG and SHANGHAI BANKING CORPORATION

CAPITAL, all paid up ... .. \$15,000,000  
RESERVE FUNDS.

STERLING RESERVE, held in London at Exchange of 2s. per \$ = £1,500,000 Sterling, invested in Consols and other Sterling Securities ... .. \$15,000,000  
SILVER RESERVE ... .. 18,000,000

RESERVE LIABILITY OF PROPRIETORS ... .. \$33,000,000

COURT OF DIRECTORS AND HEAD OFFICE IN HONGKONG.

LONDON COMMITTEE.

Sir Thomas Jackson, Bart., Chairman.  
Henry Keswick, Esq., M.P. Sir Carl Meyer, Bt.  
Wm. Cair Rathbone, Esq. J. R. M. Smith, Esq.

Deposits received for fixed periods at rates which can be ascertained on application. Interest payable June 30 and December 31.

Sir CHARLES ADDIS, } Managers  
H. D. C. JONES, } in London.  
JOHN MACLENNAN, Sub-Manager.  
W. M. BLACKIE, Accountant.

9 Gracechurch Street, London, E.C.

### THE RUSSIAN COMMERCIAL AND INDUSTRIAL BANK.

CAPITAL PAID UP ... .. £3,703,704  
RESERVE FUND ... .. £1,033,410

Petrograd. Moscow. Paris.  
And over 100 Branches in Russia.

London Offices:

24 28 LOMBARD STREET, E.C

Telegraphic Transfers and Remittances made to Russia and all parts of the Continent.

Purchase and Sale of Stocks and Shares. Dividends Collected. Drafts issued on all parts of the world. Also Circular Letters of Credit.

Commercial Credits opened. Foreign Money exchanged, approved Bills negotiated, Bills collected on the most favourable terms.

Current Accounts opened and deposits received on terms which may be ascertained on application.

### COMMONWEALTH BANK OF AUSTRALIA.

Guaranteed by the Australian Government.

Branches and Agencies throughout Australasia.

Bills Negotiated and Collected. Drafts and Letters of Credit Issued. Remittances cabled or mailed. Current Accounts opened. Deposits accepted for fixed periods, and BANKING BUSINESS of every description transacted with Australia.

SAVINGS BANK DEPARTMENT.

Agencies at 2,034 Post Offices throughout Australia.

Special facilities for the remittance of Settlers' funds.

London Office:

36-38 NEW BROAD STREET, E.C.

C. A. B. CAMPION, Manager.

### STANDARD BANK of SOUTH AFRICA, LTD.

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

SUBSCRIBED CAPITAL ... .. £6,194,100

PAID-UP CAPITAL ... .. £1,548,525  
RESERVE FUND ... .. 2,000,000  
UNCALLED CAPITAL ... .. 4,645,575

£8,194,100

BOARD OF DIRECTORS—

W. R. Arbuthnot, Esq. Horace Peel, Esq.  
Sir David Miller Barbour, K.C.S.I., K.C.M.G. William Smart, Esq.  
Right Hon. Lord  
Robert E. Dickinson, Esq. Sydenham, G.C.S.I.,  
G.C.M.G., G.C.I.E.  
James Fairbairn Finlay, Rt. Hon. Lord Welby,  
Esq., C.S.I. P.C., G.C.B.

HEAD OFFICE: 10 CLEMENTS LANE, LOMBARD STREET, LONDON, E.C.

Hamburg Agency: 27 Alsterdamm.

New York Agency: 55 Wall Street.

OVER 220 BRANCHES AND AGENCIES IN SOUTH AND EAST AFRICA.

EVERY DESCRIPTION OF BANKING BUSINESS transacted with the Cape Province, Natal, Orange Free State, Transvaal, Rhodesia, Nyasaland, East Africa Protectorate, Uganda, Zanzibar, Portuguese East Africa, and the Belgian Congo, and the Bank's Agencies in Hamburg, New York, and elsewhere.

CURRENT ACCOUNTS are opened on the usual terms.

DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

BILLS NEGOTIATED and COLLECTED.

MAIL and TELEGRAPHIC REMITTANCES made.

LETTERS OF CREDIT and DRAFTS granted on the Branches and Agencies of the Bank.

THE BANK ISSUES CIRCULAR LETTERS OF CREDIT available in all parts of the World.

COMMERCIAL LETTERS OF CREDIT issued.

PURCHASE and SALE of Stocks and Shares effected.

DIVIDENDS, ANNUITIES, ETC., received.

EXECUTOR and TRUSTEE Business undertaken.

The Officers of the Bank are bound not to disclose the transactions of any of its customers.

NOEL JENNINGS, London Manager.

### BANCA COMMERCIALE ITALIANA.

HEAD OFFICE: MILAN.

LONDON { City Office: 1 Old Broad St., E.C.  
West-End Agency: 12 Waterloo Place, Regent St.

Paid-up Capital, £6,240,000. Reserve, £2,378,800.

Manager—E. Conso.

Sub-Managers { A. Rossi.  
R. B. Handley.  
G. Costa.

Branches in Italy:—Alessandria, Ancona, Bari, Biella, Bologna, Brescia, Cagliari, Catania, Como, Florence, Genoa, Leghorn, Messina, Naples, Padua, Palermo, Parma, Perugia, Pisa, Rome, Salerno, Sassari, Savona, Sestri Ponente, Syracuse, Turin, Venice, Verona; AND AGENCIES IN NUMEROUS OTHER TOWNS.

CORRESPONDENTS OF THE ITALIAN TREASURY.

Agents in London for:—BANQUE FRANÇAISE et ITALIENNE POUR L'AMÉRIQUE DU SUD, Buenos Aires, Rio de Janeiro, San Paulo, Santos, &c., and SOCIETÀ COMMERCIALE D'ORIENTE, Milan and Tripoli.

Agents and Correspondents in all parts of the world.

### BANCO DEL PERU Y LONDRES, LIMA, PERU.

Subscribed and Paid-up Capital ... £P.500,000

Reserve Fund ... .. £P.300,000

BRANCHES IN:

Piura, Callao, Mollendo,  
Chiclayo, Cerro de Pasco, Arequipa,  
Pacasmayo, Chincha Alta, Cuzco,  
Trujillo, Ica, Iquitos,  
Huancayo, Huacho.

Letters of Credit, Drafts and Cable Transfers issued. Bills negotiated, advanced upon, or sent for collection.

London Agents: The Anglo-South American Bank, Ltd., Old Broad St., London, E.C.

### UNION BANK OF CANADA. Incorporated 1865. Head Office, WINNIPEG

Paid-up Capital ... .. \$5,000,000  
Rest and Undivided Profits ... .. \$3,600,000  
Total Assets over ... .. \$80,000,000

The Bank has over 300 Branches in Canada and Agents in the principal Cities in AMERICA.

London Committee:

J. Leigh Wood, Esq., C.M.G.;

Hon. Sidney Peel; F. W. Ashe, Esq.

Deposits received for fixed periods at favourable rates, which may be ascertained on application to

LONDON OFFICES { 6 PRINCES STREET, E.C.  
26 HAYMARKET, S.W.

### THE YOKOHAMA SPECIE BANK, LIMITED.

(Registered in Japan.) Established 1880.  
Subscribed Capital ... .. Yen 48,000,000  
Capital Paid up ... .. 30,000,000  
Reserve Fund ... .. 19,600,000

HEAD OFFICE: YOKOHAMA.

Branches and Agencies at

Antung-Hsien Liao Yang Peking  
Bombay London Ryojun Port  
Calcutta Los Angeles Arthur  
Changchun Lyons San Francisco  
Dairen (Dalny) Fengtien Shanghai  
Hankow (Mukden) Sydney  
Harbin Nagasaki Tientsin  
Hong Kong Newchwang Tokio  
Honolulu New York  
Kobe Osaka Tsingtau

The Bank buys and receives for Collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

K. TATSUMI, Manager.

London Office—  
Bishopsgate, E.C.

**JOHANNESBURG CONSOLIDATED INVESTMENT CO.,  
LIMITED.**

(Incorporated in the Transvaal.)

## REPORT OF DIRECTORS.

*To be submitted to the Shareholders at a Meeting to be held in the Board Room, Johannesburg Consolidated Investment Company, Limited, Consolidated Building, Fox Street, Johannesburg, on Tuesday, the 9th day of November, 1915, at 11.30 a.m.*

1. ACCOUNTS. The Directors submit herewith the Company's Balance Sheet and Profit and Loss Account for the financial year ended 30th June, 1915.

2. PROFITS.—After making full provision for depreciation, the net income of the year's operations is a profit of \$169,992 88. 6d., which, with the balance brought forward from last year, viz., \$170,525 88. 6d., makes an aggregate available balance of \$360,517 14. 2d.

Having regard to the adverse financial conditions prevailing during the period under review, this result must be considered highly satisfactory.

3. **DIVIDEND.**—On the 21st June the Directors declared a Dividend at 5 per cent. for the Company's financial year ended 30th June last, which is payable to Shareholders registered at that date. Warrants will be posted to Shareholders on the 28th September.

This distribution absorbs £197,500, the balance, viz. £163,017 14s. 2d., being carried forward to next account.

4. VALUATION OF SHAREHOLDINGS.—Where necessary, all the Company's holdings have been written down to the prevailing market prices, although their aggregate market value largely exceeds the amount at which they stand in the Balance Sheet.

5. FINANCIAL POSITION.—The Company continues to hold a large proportion of liquid assets, and the financial strength of its position is fully maintained. Substantial subscriptions have been made to the War Loans issued by the British and Union of South Africa Governments.

6. MINES IN WHICH THE COMPANY IS LARGELY INTERESTED.—As regards the principal Gold Mines under the Company's control, the Directors are pleased to record uninterrupted progress. The various arrangements, including those necessary by the War, are in operation for the disposal of the Company's gold, and in respect hereto every assistance has been rendered by the Imperial Government, the Union Government of South Africa, the Bank of England, and the South African Banks.

The Consolidated Langlaate Mines, Limited, is fully justifying the favourable expectations which have been entertained regarding it, and has been able to reduce its Debenture debt considerably beyond the ordinary redemption requirements and at the same time increase the half-yearly Dividend from 10 per cent. to 12½ per cent.

The results from the Van Ryn Deep continue most satisfactory, and there seems every reason for thinking that this property will prove to be one of the most successful mines on the Rand. The Company paid a Dividend of 15 per cent. for the first half of this year, as against 12½ per cent. for the previous six months.

The Witwatersrand Gold Mining Company (Knights) continues to make excellent profits and to maintain its Dividend at the rate of 50 per cent. per annum.

The Government Gold Mining Areas (Modderfontein) commenced crushing last October, and its monthly profits are steadily increasing. Financial arrangements have been made for the purpose of enlarging the Company's reduction plant, which, when completed, will more than double the results so far obtained. The prosperous future of the Company is assured.

7. GOLD PRODUCTION.—It is satisfactory to record that the aggregate value of the gold produced by the Company's Group of Mines for the year ended 30th June last amounted to £3,622,207, being £603,760 in excess of that for the preceding twelve months. The aggregate amount of dividends distributed for the same period was £899,460, being an increase of £22,268 as compared with the year ended 30th June, 1914.

8. ESTATE AND TOWN PROPERTIES.—The revenue derived from our Estates and Town Properties has been adversely affected by the conditions prevailing in Johannesburg, a large proportion of the male population having been engaged in the campaign which has now been brought to so successful a conclusion in South-West Africa.

**9. CONSULTING ENGINEER.**—The Directors regret that owing to domestic reasons the Company's Consulting Engineer, Professor Lawn, has been obliged to take up his residence in England. The Directors desire to record their high appreciation of Professor Lawn's past services, and are pleased to state that he has been appointed Consulting Engineer to the Company in London, and will pay periodical visits to South Africa in the Company's interests.

Mr. W. L. White (who has been in the Company's service for many years as Assistant to Professor Lawn) has been appointed Consulting Engineer in Johannesburg.

10. ELECTION OF DIRECTORS.—In terms of the Articles of Association, four of the Directors, viz., Sir John S. Purcell, K.C.B., and Messrs. J. Emrys Evans, C.M.G., J. Friedlander, and Isaac Lewis, retire by rotation and offer themselves for re-election.

11. ELECTION OF AUDITORS.—Messrs. J. P. O'Reilly and Henry Hains, the Auditors of the Company in Johannesburg, and Messrs. Chatteris, Nichols and Co., the Auditors in London, retire from office and offer themselves for re-election.

By Order of the Board,

THOMAS HONEY.

London Secretary.

London. 20th September, 1915.

### BALANCE SHEET, 30th JUNE, 1915.

DR.		CAPITAL AND LIABILITIES.						ASSETS.		CR.		
		£	s.	d.	£	s.	d.			£	s.	d.
Authorised Capital (under Resolution of 23rd November, 1906) ... ..		4,500,000	0	0				Stocks and Shares ... ..		2,919,110	4	2
of which £4,345,000 is Registered Capital.								Mining Properties and Advances to Mining Companies ... ..		55,348	18	1
Capital Issued ... ..					3,950,000	0	0	Real Estate and Buildings ... ..		643,097	18	3
Reserve Fund ... ..					250,000	0	0	Loans on Mortgage and Real Estate ... ..		148,948	6	9
Sundry Creditors ... ..					514,302	6	5	Pre-War Loans against Securities, subject to the Treasury and Stock Exchange regulations ... ..		465,657	3	4
Dividend (No. 18) of 5 per cent., declared 21st June ... ..					197,500	0	0	Loans at Short Call on Market Securities ... ..	£418,323	6	2	
Profit Appropriation Account—								Sundry Debtors and Dividends Accrued ... ..	363,224	4	1	
Balance ... ..					163,017	14	2	Cash at Bankers and in hand ... ..	51,631	15	0	
Contingent Liabilities—										833,179	5	3
Uncalled Capital on Investments, &c. ... ..		56,799	8	1				Office Furniture, &c. ... ..		6,478	4	9
					£5,074,820	0	7			£5,074,820	0	7

S. B. JOEL, Chairman, } Directors.  
A. R. STEPHENSON, }

S. B. JOEL, Chairman  
A. R. STEPHENSON.

THOMAS HONEY, Secretary.

We report that we have examined the above Balance Sheet, dated the 30th June, 1915, with the books and vouchers of the Company in Johannesburg, and have obtained all the information and explanations we have required as Auditors. In our opinion such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Company. We have also verified the securities in South Africa.

HENRY HAINS, } Auditors.  
J. P. O'REILLY, }  
Incorporated Accountants.

J. P. O'REILLY,

O'REILLY, )  
Incorporated Accountants.

Johannesburg, 6th July, 1915.

We report to the Shareholders that we have audited the Accounts of the London Office of the Johannesburg Consolidated Investment Company, Limited, dated the 30th June, 1915, and have obtained all the information and explanations we have required. The Audited Accounts of the Johannesburg Office have been properly incorporated in the above Balance Sheet and Profit and Loss Account, and in our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the Books of the Company. We have also verified the Securities in London.

CHATTERIS, NICHOLS AND CO., } Auditors.  
Chartered Accountants,

Chartered Accountants,

London, E.C., 10th August, 1915.

PROFIT AND LOSS ACCOUNT for the Year ended 30th June, 1915.

Dr.	£	s.	d.		Cr.	£	s.	d.
To Directors' Fees, Salaries, War Donations and other Expenses, less amounts received from other Companies ... ..	34,918	14	5	By Profits realised on Stocks and Shares, Dividends, Com- missions and Sandry Receipts, less South African Income Tax and Amounts written off ... ..	224,911	0	1	
Balance, being realised Profit for the year carried to Appropriation Account ... ..	189,992	5	8					
	<u>£224,911</u>	<u>0</u>	<u>1</u>		<u>£224,911</u>	<u>0</u>	<u>1</u>	

### PROFITS APPROPRIATION ACCOUNT.

	£	s.	d.		£	s.	d.
To Dividend No. 18 of 5%, declared 21st June, 1915 ... ..	197,500	0	0	By Balance of Profit and Loss Account at 30th June, 1914 ...	170,525	8	6
Balance carried to Balance Sheet ... ..	163,017	14	2	Balance of Profit and Loss Account at 30th June, 1915 ...	189,992	5	8
	<u>£360,517</u>	<u>14</u>	<u>2</u>		<u>£360,517</u>	<u>14</u>	<u>2</u>

LONDON.		GR.	
Dr.		By Interest ...	£3,127 19 0
To Directors' Fees ...	£500 0 0	Transfer Fees ...	21 11 6
Office Rent and Salaries ...	271 11 6	Farm Revenue (less expenses of collection) ...	2,406 5 6
Advertising ...	52 12 4	Sundry Receipts ...	42 7 6
Auditors' Fees ...	28 5 0		
Income Tax ...	66 5 0		
General Expenses ...	33 11 6		
Donation to S. A. War Fund ...	250 0 0		
JOHANNESBURG.			
Office Rent and Salaries ...	250 0 0		
Local Committee Fees ...	250 0 0		
General Expenses ...	123 5 2		
Legal Expenses ...	22 17 8		
Quit Rents on Farms ...	7 16 6		
Auditors' Fees ...	21 0 0		
Balance (Profit) carried to Balance Sheet ...	3,692 18 10		
	£5,598 3 6		£5,593 3 6

**JAMES EADIE, LIMITED.**

NOTICE IS HEREBY GIVEN that the Trans-  
fers of the Debenture Stock and Preference  
Shares of this Company will be closed from  
the 1st September to 5th October, both inclusive.

By Order of the Board,  
CHARLES W. INSLY, Secretary.

**PROVINCE OF ONTARIO**  
FOUR PER CENT. REGISTERED  
STOCK, 1947.

For the purpose of preparing the Interest  
Warrants due 1st November, 1915, the Balances  
shall be struck on the evening of the 1st Octo-  
ber, 1915, after which date the stock will be  
transferred ex-dividend.

For Bank of Montreal,  
G. C. CASSELS, Manager.

47 Threadneedle Street, E.C.,  
20th September, 1915.

**RIO DE JANEIRO TRAMWAY**  
LIGHT AND POWER COMPANY,  
LIMITED. FIVE PER CENT. 50-YEAR MORT-  
GAGE BONDS.

The Canadian Bank of Commerce will pay on  
and after the 1st October, 1915, Coupon No. 15  
attached to the above Bonds.

Coupons must be left at the Bank three clear  
days for examination.  
2 Lombard Street, E.C.,  
18th September, 1915.

**ARMY AND NAVY CO-OPERA-  
TIVE SOCIETY, LIMITED, 105 VIC-  
TORIA STREET, WESTMINSTER, LONDON,  
S.W. INTERIM DIVIDEND.**

An Interim Dividend of 1s. per 1s. share (free  
of income tax) will be payable on and after  
the 15th October. In the case of shareholders  
having deposit order accounts the Dividend will,  
unless already otherwise requested, be credited  
to such accounts. To shareholders not having  
deposit order accounts Warrants will be sent.

By Order,

H. M. BEAMER, Acting Secretary.  
18th September, 1915.

**H. HOLDRON, LIMITED,  
PECKHAM, S.E.**

The Share Transfer Registers (Ordinary shares)  
will be closed from September 23rd to 30th,  
both days inclusive, to prepare Warrants for the  
Interim Dividend, at the rate of 6 per cent.  
per annum, payable October 1.

By Order of the Board,  
C. E. RIDWOOD, Secretary.

September 17, 1915.

**SOROCABANA RAILWAY**  
COMPANY.

4½ PER CENT. FIRST DEBENTURES.  
NOTICE IS HEREBY GIVEN that Coupon  
No. 8, due 1st October, 1915, on the 4½  
per cent. First Debentures of the Sorocabana Rail-  
way Company will be paid on and after that date  
in London at the Bank of Scotland, 30 Bishop-  
sgate, E.C.; in Amsterdam at Messrs. Teixeira  
de Mattos Brothers, and in Switzerland at the  
Swiss Bankverein and the Schweizerische Kredit-  
anstalt.

Coupons must be left at the Bank three clear  
days for examination previous to payment be-  
tween the hours of 10 A.M. and 2 P.M. (Saturdays  
excepted).

Dated this 21st day of September, 1915.

For Sorocabana Railway Company.

(Signed) S. D. BROWN, Secretary.

9 Throgmorton Avenue, E.C.

**THE BUENOS AYRES GREAT  
SOUTHERN RAILWAY COMPANY,  
LIMITED.****NOTICE.**

The Directors of the Buenos Ayres Great  
Southern Railway Company, Limited, hereby  
Give Notice that the Transfer Books and Regis-  
ter of Members will be closed from Thursday,  
the 30th instant, to Thursday, the 14th October,  
both days inclusive.

By Order of the Board.

A. GIET,  
Secretary.

Dated this 22nd day of September, 1915.

Offices of the Company—

River Plate House.

Finsbury Circus, London, E.C.

**ENGLISH, SCOTTISH AND  
AUSTRALIAN BANK (Limited).**

Head Office: 38 Lombard Street, E.C.

Subscribed Capital	...	£1,078,875	0	0
Paid-up Capital	...	539,437	10	0
Further Liability of Proprietors	...	539,437	10	0
Reserve Fund	...	350,000	0	0

LETTERS OF CREDIT AND DRAFTS on the  
Branches and Agencies of the Bank in Australia can  
be obtained at the Head Office or through the Agents  
of the Bank in the chief Provincial Towns throughout  
the United Kingdom.

REMITTANCES made by TELEGRAPHIC  
TRANSFER, BILLS NEGOTIATED or forwarded  
for COLLECTION, BANKING and EXCHANGE  
business of every description transacted with Australia

E. M. JANION, Manager.

**LONDON AND NORTH WESTERN  
RAILWAY.****SPECIAL NOTICE.****PASSENGER TRAIN ALTERATIONS FOR  
OCTOBER.**

On and from October 1st NUMEROUS  
ALTERATIONS will be made in the PASSENGER  
TRAIN SERVICES, including some of the  
Expresses between London, Liverpool, Manchester,  
and Scotland, and Liverpool, Manchester, and  
Leeds, and intending passengers are requested to  
consult the Time Tables beforehand.

GUY CALTHROP,  
General Manager.

Euston Station,  
London, September 1915.

**THE VIRGINIA (CAROLINA)**  
CHEMICAL COMPANY have declared a

Dividend of 8s. per share (at the rate of 8 per  
cent. per annum) upon the Preference stock of  
this Company, payable the 15th October, 1915.

S. DABNEY CRENSHAW, Secretary.  
Richmond, Va.,  
24th September, 1915.

**PHILADELPHIA COMPANY.**

DIVIDEND No. 136.

Pittsburgh, Pennsylvania,  
September 15, 1915.

The Directors have this day declared a QUARTERLY  
DIVIDEND of

**ONE AND ONE-HALF PER CENT.**

on the COMMON STOCK, payable November 1, 1915,  
to Stockholders of record October 1, 1915. Cheques  
will be mailed.

C. J. BRAUN, Junior Treasurer.

**PHILADELPHIA COMPANY.**

DIVIDEND No. 6.

Pittsburgh, Pennsylvania,  
September 15, 1915.

The Directors have this day declared a SEMI-  
ANNUAL DIVIDEND of

**THREE PER CENT.**

on the SIX PER CENT. CUMULATIVE PRE-  
ferred STOCK, payable November 1, 1915, to  
Stockholders of record October 1, 1915. Cheques will  
be mailed.

C. J. BRAUN, Junior, Treasurer.

**THE ANGLO-EGYPTIAN  
BANK, LIMITED.**

SUBSCRIBED CAPITAL ... £1,500,000.

PAID UP, £500,000. RESERVE FUND, £680,000.

BRANCHES: Alexandria, Cairo, Beni-Suef, Man-  
soura, Port Said, Tantah, Zagazig, Khartoum,  
Malta, Gibraltar, Paris.

BANKERS: The Bank of England. The London  
Joint Stock Bank.

The Bank transacts every description of Banking  
business in Egypt, grants Letters of Credit, and  
affords facilities to travellers proceeding to Egypt  
and elsewhere.

Deposits received for one year at 4½ per cent per  
annum.

On current accounts, Interest at the rate of 2 per  
cent. per annum allowed on minimum monthly  
balances provided they do not fall below the sum of  
£200.  
27 Clement's Lane, Lombard Street, E.C.

**THE ANGLO-SOUTH  
AMERICAN BANK, LIMITED.**

Authorised Capital—

Subscribed	...	£4,500,000
Unissued	...	500,000
		£5,000,000

Capital Issued and Paid up ... £2,250,000

Reserve Fund ... 1,400,000

Uncalled Liability of Shareholders ... 2,250,000

Total responsibility for Creditors ... £5,900,000

Head Office: OLD BROAD STREET, LONDON, E.C.

Paris Branch: 19 Boulevard des Capucines and  
23 Rue de la Paix.

Hamburg Branch: 3 Adolphsplatz.

New York Agency: 60 Wall Street.

Branches and Correspondents in all the principal  
places of South America.

Cable Transfers, Drafts, and Letters of Credit issued.  
The Purchase and Sale of Funds, the receipt of Divi-  
dends, the negotiation and collection of Bills of  
Exchange, Coupons, and Drawn Bonds, and other  
Banking Business undertaken with all parts of South  
America.

Current Accounts opened and Deposits received for  
fixed periods on terms which may be ascertained on  
application.

**THE STOCK EXCHANGE.****NOTICE.**

Members of the Stock Exchange are not allowed to  
advertise for business purposes or to issue circulars to  
persons other than their own principals.

Persons who advertise as Brokers or Share Dealers  
are NOT Members of the Stock Exchange or in any  
way under the control of the Committee.

Members issuing Contract Notes are required to use  
such a form as will provide that the words "Member  
of the Stock Exchange, London," shall immediately  
follow the signature.

A List of Members of the Stock Exchange who are  
Stock and Share Brokers may be seen at the Bartholo-  
mew Lane entrance to the Bank of England, or  
obtained on application to

EDWARD SATTERTHWAITE,  
Secretary to the Committee of the  
Stock Exchange.

Committee Room, Stock Exchange, London, E.C.

EXECUTORS, TRUSTEES, SOLICITORS and  
OWNERS selling Works of Art, Family Jewels, old  
Silver, Furniture, Pictures, Prints, Miniatures, China  
Coins, Books, Old Lace, Furs, Musical Instruments,  
Guns, Trade Stocks and other valuables are informed that  
Messrs.

**KNIGHT, FRANK & RUTLEY'S**  
Sale Rooms, 20 HANOVER SQUARE, W.

are Open Daily to receive Goods intended for  
Public Sale.

Auctions on Owners' premises in all parts of the country  
are held as required.

**NETHERLANDS BANK OF  
SOUTH AFRICA.**

Authorised Capital	...	£750,000
Subscribed and Paid-up Capital	...	£240,000

HEAD OFFICE ... AMSTERDAM.  
LONDON AGENCY ... 2 GT. WINCHESTER ST., E.C.  
LONDON MANAGER ... J. COT BUDDE.

All descriptions of Banking Business connected  
with South Africa transacted on terms which may  
be ascertained on application.

**LONDON AND BRAZILIAN  
BANK, LIMITED.**

7 Tokenhouse Yard, E.C.

SUBSCRIBED CAPITAL, 125,000

Shares of £20 each	...	£2,500,000
PAID-UP CAPITAL	...	1,250,000
RESERVE FUND	...	1,400,000

Branches in Brazil at Rio de Janeiro, Para, Ceara,  
Manaus, Pernambuco, Bahia, Santos, Sao Paulo,  
Curitiba, Rio Grande do Sul, Porto Alegre, River  
Plate, Buenos Ayres, Rosario, and Montevideo.  
United States.—New York (Agency). France.—Paris  
(5 Rue Scribe). Portugal.—Lisbon and Oporto.

Agents or Correspondents in all the principal cities  
of Brazil, Uruguay, Argentina, the United States and  
Europe.

Drafts, Letters of Credit, and Cable Transfers issued  
on Branches and Agents. Bills of Exchange nego-  
tiated or sent or collection, and every description of  
Banking business undertaken.

**BANK OF NEW ZEALAND.**

Incorporated 29th July, 1861.

(Bankers to the New Zealand Government.)

LONDON OFFICE:—1 Queen Victoria St., London, E.C.

AUTHORISED CAPITAL ... £5,500,000.

SUBSCRIBED CAPITAL:

Four per Cent. Guaranteed Stock	...	£528,988
"A" Preference Shares issued to	...	500,000
New Zealand Government	...	250,000
"B" Preference Shares issued to	...	1,500,000
New Zealand Government	...	2,278,988

Reserve Fund and Undivided Profits ... £2,057,170

Negotiates and collects Bills of Exchange.

GRANTS DRAFTS on its Offices in New Zealand,  
Australia, Fiji and Samoa.

Remittances made by telegraphic transfer.

ALEXANDER KAY, Manager.

**BANK of NEW SOUTH WALES.**

Established 1817.

LONDON OFFICE: 29 Threadneedle Street, E.C.

Paid-up Capital	...	£3,500,000
Reserve Fund	...	2,550,000
Reserve Liability	...	3,500,000
of Proprietors	...	£9,550,000



The London Office issues Drafts on demand on its  
Head Office and Branches in Australia, New Zealand,  
Tasmania, Fiji and Papua, and on its Correspondents  
in Tasmania. Makes Mail and Cable Transfers.  
Negotiates and Collects Bills of Exchange. Receives  
Deposits for fixed periods on terms which may be  
known on application; and conducts every de-  
scription of Australasian banking business.

DAVID GEORGE, Manager.

# NATIONAL BENEFIT

**LIFE AND PROPERTY ASSURANCE** Co. Ltd.  
All classes of INSURANCE, including LIFE, FIRE, ACCIDENT,  
MARINE, WAR RISKS, &c., at specially low rates.  
PROSPECTUS ON APPLICATION.  
**INVESTED FUNDS EXCEED £650,000.**

MANAGING DIRECTOR: R. J. FRANCIS, J.P., F.S.S.  
Head Office: NATIONAL HOUSE, NEWGATE STREET, LONDON, E.C.  
Agents required in all districts. Special Terms offered.

## AUSTRALIAN MUTUAL PROVIDENT Society (A.M.P.)

The Largest Mutual Life Office in the Empire. Est. 1849.  
FUNDS—£32,000,000. ANNUAL INCOME—£4,000,000

MODERATE PREMIUMS. LIBERAL CONDITIONS  
WORLD-WIDE POLICIES.

EVERY YEAR A BONUS YEAR.

Whole-Life Policies, 20 years in force, show average increase of the sum assured by Bonus exceeding 10 per cent.

Endowment Assurance Results also unsurpassed.

37 THREADNEEDLE STREET, LONDON, E.C.

## THE CENTURY

### AIRCRAFT ACCIDENT POLICY

Offers LARGE BENEFITS at a LOW  
PREMIUM and affords a sense of personal  
protection that is most valuable to the  
BUSINESS and PROFESSIONAL MAN.

Send postcard for particulars to:

**CENTURY  
INSURANCE COMPANY LTD.,**

17 QUEEN VICTORIA STREET, LONDON, E.C. 4,  
18 CHARLOTTE SQUARE, LONDON, E.C.

## REFUGE ASSURANCE COMPANY Ltd.

Chief Office: OXFORD STREET, MANCHESTER.

Premium Income Exceeds - £3,500,000.  
Funds Exceed - £11,000,000.  
Claims Paid Exceed - £20,000,000.

## SUBSCRIPTION TO "THE STATIST."

TO INCLUDE ALL SUPPLEMENTS.

Payable in Advance.

Inland.

ONE YEAR, £1 10 0 | HALF-YEAR, £0 15 0

(Post Free.)

For Colonies and Abroad (within Postal Union).

ONE YEAR, £1 17 4 | HALF-YEAR, £0 18 8

(Post Free.)

OFFICES: 51 Cannon Street, E.C.

## IMPORTANT NOTICE.

All Editorial communications should be  
addressed to the Editor.

Business communications should be addressed  
to the Manager,

THE STATIST,

51 Cannon Street, London, E.C.

# LLOYDS BANK LIMITED

Head Office: 71 LOMBARD STREET, E.C.

Capital Subscribed	-	-	-	£31,304,200
Capital Paid up	-	-	-	5,008,672
Reserve Fund	-	-	-	3,600,000
Deposits, &c.	-	-	-	134,524,366
Advances, &c.	-	-	-	59,740,811

OVER 880 OFFICES IN ENGLAND & WALES.

French Auxiliary:

LLOYDS BANK (FRANCE) LIMITED.

Offices in Paris, Bordeaux, Biarritz and Havre.

## Provide for Death Duties

Whether your Estate be large or small, it will pay you to take thought of the heavy toll that will be levied on it by the Government at your death. Write to-day for a copy of D 12a. Leaflet "Death Duties and how to provide for them." You will find it both interesting and instructive. A postcard will bring it.

## The STANDARD LIFE Assurance Co. Estd. 1825.

Head Office: EDINBURGH: 3 George Street.

London: 10, King William Street, E.C. 4,  
and 3 Pall Mall East, S.W. Dublin: 101 Queen Street

# The Statist.

LONDON, SATURDAY, SEPTEMBER 25, 1915.

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## The Money Market.

Friday Evening, September 24, 1915.

### Treasury Bills:—

3 MONTHS.	6 MONTHS.	9 MONTHS.	12 MONTHS.
Price ... £98 17s. 6½d.	£97 15s. 1½d.	£96 12s. 5½d.	£95 10s.
Discount Rate 4½ %	4½ %	4½ %	4½ %

### Discount Rates:—

60 DAYS.	3 MONTHS.	4 MONTHS.	6 MONTHS.
Bank Bills ... 4½ %	4½ %	4½ %	5 %
Trade Bills ... 5½ %	5½ %	5½ %	6 %

**Bank of England and Deposit Rates:—**

DATES FIXED.	BANK OF ENGLAND RATE. %	DEPOSIT RATES.—		
		BANKS, NOTICE. %	DISCOUNT CALL. %	HOUSES NOTICE. %
Sept. 2, 1915 ...	—	3½	—	—
July 22, " ...	—	3	3½	3½
April 8, " ...	—	—	2	2½
Feb. 4, " ...	—	—	1½	1½
Oct. 9, 1914 ...	—	2½	2	2½
Sept. 17, " ...	—	2½	2½	2½
Sept. 4, " ...	—	3	3	3½
Aug. 27, " ...	—	—	3½	3½
Aug. 8, " ...	5	3½	4	4½
Aug. 6, " ...	6	4	—	—
Aug. 1, " ...	10	5*	5	5½
July 31, " ...	8	4	4½	4½
July 30, " ...	4	2½	2½	2½
Jan. 29, " ...	3	1½	1½	1½

\* Head Office and Metropolitan Branches only.

**THE MONEY POSITION.**

THE chief event of the week has been the firmness of the American exchange in the neighbourhood of 4.71 for sight drafts and the report from New York that the Anglo-French Commission has succeeded in arranging for a loan of £140,000,000. This report has not yet received official confirmation, but the firmness of exchange would seem to bear out the accuracy of the statement, and inasmuch as it is to the interest of the United States to make the loan, no further trouble is expected with regard to the American situation until the credit is exhausted.

The Money market has given a good deal of attention to the Budget statement of the Chancellor of the Exchequer. It is evident that the great expenditures of the nation, as indicated by the Chancellor this week and by the Prime Minister last week, have caused a certain amount of uneasiness as to how it will be possible for the country to provide the vast sums of money needed to cover both the domestic expenditures and war outlays, amounting now to nearly £5,000,000 a day.

The net effect of these various factors has been that rates of discount have been maintained, the rate for three months' bills, after showing some weakness, having recovered to 4½-4¾%, the rate for four months to 4¾%, while six months' bills are quoted 5%.

In spite of the expected credit in New York, considerable sums of gold have been withdrawn daily from the Bank of England for the United States, Canada, Egypt, Spain, and other countries, and it is evident that with the exception of the United States, where the credit is expected to provide all the exchange needed for some time to come, these movements will continue. Great Britain and the Allied Powers are buying goods from abroad on a great scale, and London is under the necessity of financing these purchases. At the same time its own consumption of foreign goods is enormous, so that other countries will have the power to draw gold from London in the next few months on a very large scale.

We would call the attention of the Money market to an article elsewhere on the country's foreign trade balance, which clearly shows how large is the sum that we must send to other countries to pay for the goods we are buying week by week. We calculate that, including the loans we are making to our Allies and to our Colonies, the country's adverse trade balance is now at the rate of upwards of £500,000,000 a year. Against this adverse trade balance must be placed our sales of American securities and the loan we are now obtaining in the United States, as well as the floating capital that we are able to draw in from other countries. But when all these allowances are made it is obvious that we shall need to send out large amounts of gold to pay for our purchases. In these circumstances it is desirable—in fact, essential—that the value of money in London should be main-

tained at a rate that will cause bankers to leave here as large a portion of their funds as possible. The question of whether bankers should keep their funds in London or send them away to other countries is governed, in some measure at all events, by the rate of interest they can obtain upon their balances here, and in the existing situation it is certainly desirable that the rate of interest in London should attract as much money here as possible.

It is very satisfactory to note that there has been a further large reduction in the Bank of England's holding of securities. The Bank return shows decreases of over three millions in the Government securities and over nine millions in the "other" securities, making a total decrease of 12¼ millions for the week. We hope to see this process steadily continued, since the huge amount of securities still held by the Bank, in spite of the repayment to it of 160 millions by the Government, is at present a serious cause of inflation and weakness. In fact, it may be said that our two most serious financial needs at the moment are the reduction of inflation and the reduction of consumption.

**INDIA STERLING BILLS.**

TENDERS were received at the Bank of England on Wednesday last, September 22, for £3,500,000 of India bills, in replacement of bills for £2,000,000 falling due on September 28, and in partial replacement of bills paid off temporarily during the current financial year. The bills will be dated September 28, 1915, and will be payable at twelve months after date. The total applications reached £6,151,000. Tenders at £94.15s. 3d. received about 42%; above in full. The average price at which the bills were disposed of was £94 17s. 0.44d., equal to an average discount rate of £5 2s. 11.56d. per cent.

**CITY OF VICTORIA BILLS.**

THE £100,000 City of Victoria Treasury bills maturing on October 2 will be renewed for six months.

**BANK OF ENGLAND.**

THE Bank's reserve was reduced this week by £945,000 to £49,727,000 in consequence of an efflux of £351,000 in gold on balance on foreign account and the withdrawal of £487,000 in gold for the country, at the same time that the note circulation increased £107,000. The total loss of gold was £838,000, reducing the amount held to £62,892,000. Since the beginning of September the loss of gold has been £5,500,000. The public deposits show the substantial decline of £12,836,000 in consequence of the immense Government disbursements. This caused the "other" securities to be lowered by £9,278,000. Government securities were reduced £3,105,000, and now amount to the relatively small total of £31,313,000, showing a decline of £22,000,000 since the end of July. The "other" deposits were £523,000 lower at £89,645,000. In consequence of the reduction in the public deposits the proportion of reserve to liabilities has recovered from 23.93 to 25%.

**BANK OF ENGLAND DIVIDEND.**

THE profits of the half-year to August 31, after making provision for all contingencies, amounted to £610,951, making the amount of the "Rest" on that day £3,637,114. After providing for a dividend of 5%, less income tax, the "Rest" will be £3,000,421.

**MONEY IN NEW YORK.**

MONEY remains in superabundant supply in New York, and day-to-day loans can usually be obtained at under 2%. The influx of gold on foreign account is causing the reserves of the Associated Banks to rise to enormous figures. Last week the addition was nearly £5,000,000, bringing the aggregate to £139,434,000. At the beginning of the year the amount held was only £92,000,000, so that the

increase has been no less than £47,000,000, or over 50% in about nine months. The loans have increased £6,400,000 in the week, and the deposits nearly £15,000,000. Nevertheless the surplus reserve increased £1,500,000 to £43,400,000. From these figures it will be evident that the gold that is now being sent to New York is merely increasing the immense supplies in that market, and we imagine that New York bankers will view with distinct approval the proposed new loan, which will prevent the further influx of gold for a time, at any rate, as it will mean that they will be able to employ their money in a first-class security at a high rate of interest, and possibly will be able to get a somewhat better rate for the money they employ at home. The New York exchange rate, which last week rose to 4.70½, has further risen to 4.71 for sight drafts.

The following rates of exchange are current in New York:—

New York on—	Rate	Par as usually quoted	Dis-count %
London ... sight	\$4 7½	4 86½ dollars for £1	5½
" ... cables	\$4 7½		
" ... 60 days	\$4 6½		
Amsterdam ... sight	4 ¼	4 ¼ cents for 1 guilder	100-101
Berlin ... sight	8 ½	95 cents for 1 mark	12 ½
Paris ... sight	5 8 ½	5.18 francs for \$1	15 ½
Mexico ... Mex. silver \$	20 ½	20 ½ U.S. for 1 Mex. \$	2000

Rates for prime commercial paper and for call loans in New York are as follows:—

Sept. 23, 1915 ...	Prime paper ...	3½-3¾	Call money ...	2½
Sept. 24, 1914 ...	" " ...	6½-7%	" " ...	6-8%

### MONEY IN INDIA.

INDIAN exchange remains firm, and the rate is now 1s. 4d. For the 50 lacs of Council drafts offered this week tenders amounted to over 400 lacs, and bills were placed on the basis of 1s. 4d. Money is rapidly increasing in demand, and the stock of coined silver in the Currency Department has been reduced 110 lacs to 3,810 lacs. To-day (Friday) the Bengal Bank rate has been raised from 5% to 6%.

The following are the minimum Rates of Discount current in India:—

Bombay ...	5 per cent. (June 2, '15)	Bengal ...	6 per cent. (Sept. 24, '15)
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Particulars of the Tenders received and the Allotments made by the India Council on Wednesday last, September 22, are:—

BILLS.				TELEGRAPHIC TRANSFERS.			
Rate.	Tendered.	Accepted.		Rate.	Tendered.	Accepted.	
s. d.	Rs.	Rs.	%	s. d.	Rs.	Rs.	%
1 4	1,90,000	74,000	45	1 3½	1,06,00,000		
—	—	—	—	1 4	67,00,000	25,76,000	45
—	—	—	—	1 4	1,85,00,000		
—	—	—	—	1 4½	62,00,000	23,50,000	45
Total ...	1,90,000	74,000	—	Total ...	4,00,00,000	49,26,000	—
Grand Total ...				Grand Total ...			
Offered. Rs. 50,00,000				Tendered. Rs. 4,01,90,000			
Accepted. Rs. 50,00,000				Accepted. Rs. 50,00,000			

The Amount of Drafts disposed of and the Minimum Rates obtained were as follows:—

	Bills.			Telegraphic Transfers.		
	Rs.	Average.	Minimum.	Rs.	Average.	Minimum.
Calcutta ...	—	—	—	Def. 22,60,000	1 4	1 4
Bombay ...	—	—	—	Imm. 15,82,000	1 4 031	1 4 ½
Madras ...	74,000	1 4	1 4	Def. 3,16,000	1 4	1 4
				Imm. 4,22,000	1 4 031	1 4 ½
				Imm. 3,16,000	1 4 031	1 4 ½

The following Special Sales have since been made:—

Bills on Madras ...	Rs.	At
Transfers on Madras (Deferred) ...	1,90,000	1 4 ½

From April 1 to September 21 inclusive the Council granted remittances for Rs. 4,07,58,964, realising £2,714,933. Up to September 22 of last financial year the total Bills and Transfers sold was Rs. 5,49,54,861, realising £3,667,357. The total sales for the week ended September 21 amounted to Rs. 40,40,000, realising £269,490. The amount to be offered for tender next Wednesday will again be 50 lacs.

### SILVER.

THE Silver market has been firm, and the price has risen from 23 7-16d. to 23 ¾d. This advance is due to the shortness of supplies and to the satisfactory course of events in India, where the rains are good and business is promising. The United States Treasury has placed an order for another 600,000 oz. of silver, and this, too, has helped the market.

	Sept. 17	18	20	21	22	23	24
London ...	23 7½	23 ¾	23 ¾	23 ¾	23 ¾	23 ¾	23 ¾
India ... Rs. Hol.	60 ½	60 ½	60 ½	60 ½	60 ½	60 ½	60 ½
Exchange	1 4	1 4	1 4	1 4	1 4	1 4	1 4

## Stock Exchange.

Settlement of pre-War open position deferred to a year after peace declaration.—*Vide* Emergency Rules as to conditions.

	TICKET DAY.	PAY DAY.	CONSOLS.
Settlement Days	Tues., Sept. 28 Wed., Oct. 13	Wed., Sept. 29 Thurs., Oct. 14	Fri., Oct. 1 Fri., Nov. 5

As an outcome of the outbreak of war the Paris Bourse settlement of end of July 1914 was deferred under a moratorium arrangement, and in Paris, unlike what has been done in respect of the London Stock Exchange, matters have remained *in statu quo* ever since. Persons who had bought securities have not been called upon to pay for them, nor have differences or interest been paid by the purchaser to those who have occupied the position of enforced "takers in" of stock. After consideration of various suggested plans, at last arrangements have been drawn up for the liquidation of the open position, and the first step is the fixing of September 30—that is, next week—for the commencement. On such date in respect of all securities officially quoted on the Parquet the arrears of interest up to October 14, 1915, will have to be paid up, and also 10% of any "differences" that were shown at end of July 1914. Thereafter interest is to be payable monthly, and except where there are extraordinary reasons for varying conditions, which will be considered by technical committees, the remaining amount of the difference will have to be liquidated monthly—10% off the difference and also interest each succeeding monthly settlement up to June 30, 1916. In case, by application to the Courts, debtors obtain relief from compliance with these general conditions, they shall pay interest at 6% per annum on the amount that is permitted to be deferred. A noticeable exception to this general liability is that residents in invaded districts or those who are called up for service with the Colours shall be temporarily exempted. The representative committees of both the official parquet brokers and the dealers—or, as the latter are termed on the Paris Bourse, the *coulisse*—will be authorised to raise a long-term loan of £3,000,000 in 6% bonds to be issued at 98, and to have interest payable quarterly. The proceeds will be utilised in giving assistance to the arrangement.

It is announced that the issue of 100,000 Ordinary shares of S. Smith and Sons (Motor Accessories), Limited, has been over-subscribed.

### OTTOMAN RAILWAY.

THE half-yearly report of the Ottoman Railway from Smyrna to Aidin is of little interest to the stockholders, having regard to the fact that the line is in the hands of the Turkish authorities, and the results of working, consequently, are not ascertainable. Payment of interest on the Preferred shares due May 1 last, amounting to £9,000, was, it will be recollected, postponed, the funds of the Company being insufficient to meet it; but in view of the interest falling due on July 1 upon the 4% and 5% Debenture stocks, meetings of the Debenture holders were held on June 11, when special resolutions were unanimously passed deferring payments of Debenture interest on both issues for twelve months after the signing of peace between the British and Turkish Governments, or for the period of three years from June 30, 1915, whichever period should be the shorter. The scheme provided *inter alia* that the deferred payments should carry interest in the case of both issues at 5% per annum, payable at the termination of the above-mentioned period, either in cash or Debenture stock at the discretion of the Company. A special meeting of shareholders held on June 10 approved this scheme, and certificates for the interest due July 1 last, amounting to £74,175, were accordingly posted to the Debenture stockholders on that date.

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## Mining Topics.

ACCORDING to the daily record of transactions in mining and kindred shares it would look as if a little more business has been passing, but evidently in the main the bulk of the transactions has been the realisation of profits resulting from the advance that has been going on of late. Even with cash transactions there is the same characteristic as in normal times with time bargains—a momentary period of the market being all one way. Till lately, with Eastern Rand shares in particular, the trend was in the direction of buying, but this week the trend has been towards realisations, chiefly through efforts to snatch profits. What must be regarded by the thoughtful speculative investor is real merits, and given the assurance of merits market movements may then be disregarded.

It has been patent for some time that the policy of extension of plant in connection with the Government Areas would be carried out, but on the more definite statement in the "Johnnies' Report there has been a distinct hardening in the price of the shares, which have been as high as 26s.

The Ferreira Deep announces a dividend of 17½% for September, comparing with 25% for the same month last year. The total dividend for this year (excluding the bonus of 25% paid in December last) is 42½, comparing with 50% for 1914.

Few market movements have taken place in copper shares. Tintos remain heavy. Anaconda shares—which are now the bell wether of the American copper section—have been dealt in on this side in their new form of \$50 shares. The Arizona Copper Company has this week announced that owing to labour difficulties operations at the mine have been temporarily suspended. Apropos of our remarks upon North Broken Hill last week a dividend of 1s. per share is announced, making, with the similar dividend previously paid, 2s. per share, or 10% on account of the current half-year ending December 31.

## NEW MODDERFONTEIN.—II.

### A SHARE VALUATION.

THROUGH giving a plan showing the workings, position of shafts, developments so far effected, and the relative positions of neighbouring mines, and also informative letterpress as to the past history of the Company, and other particulars, our space last week was so much trenched upon that we deferred till this week a consideration of the present value of the shares of the Company. An investigation as to this point is important in view of the near approach of use of enlarged plant, expected to come into operation about the middle of 1916, when the capacity of plant will be increased to 1,100,000 tons a year. We call attention to the fact that, after conservative deduction of 20% from the total untouched area as allowance for faults, unpayable zones, &c., on the increased annual output we estimate from the middle of 1916 a life of about 20 years.

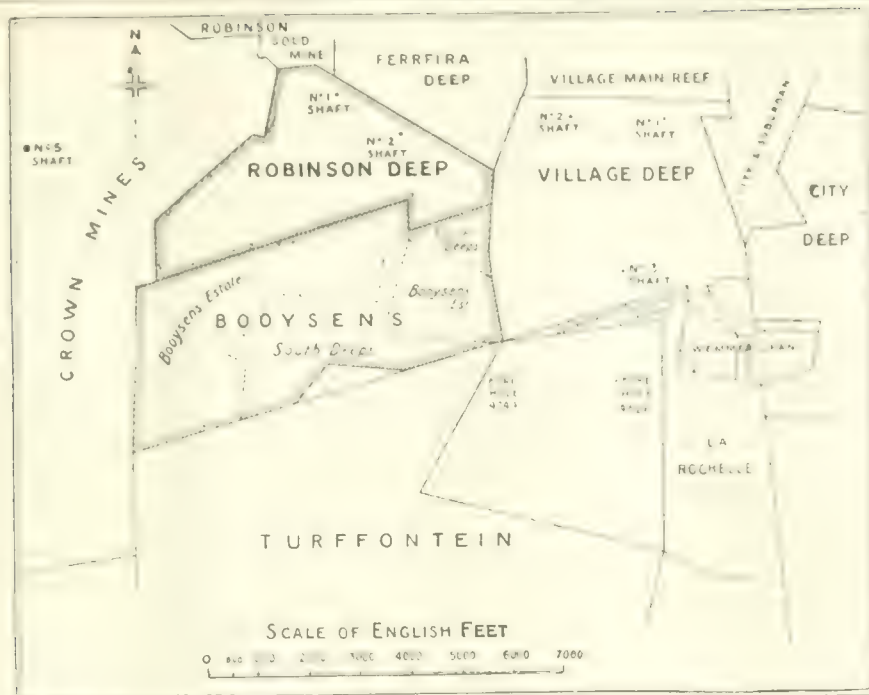
The policy of the Company in making adequate provision out of profits for paying for extension of plant obscures the real earning position under the present conditions of dealing with, say, 610,000 tons a year. The profits derived from the present annual rate of crushing are far and away higher than the sum requisite to provide the recent dividends paid. Were there not setting aside to capital purposes, and the real earnings were applied to dividend purposes, the Company would be able to distribute dividends on the present basis of a tonnage of 610,000 tons a year at the rate of, say, 42½%. When the extended plant comes into operation, and 1,100,000 tons per annum are dealt with, on a rough rule of three sum the earnings would admit of a dividend of 77½%.

Now the present rate of crushing, if it were adhered to, from July 1, 1915, would mean a life of 37 years. We calculate that by the time the enlarged plant is in operation the life from July 1, 1916, may be put at 20 years, plus the one year additional to June 30, 1916. We will now tabulate calculations to show how we arrive at the dividend results above mentioned:—

	Life, say—20 Years from July 1, 1916— Enlarged Plant	37 Years from July 1, 1915— Present Plant
Mine profit and revenue ... (1,100,000 tons)	£ 1,260,000	(610,000 tons) £ 700,000
First charges—		
Phthisis ... ..	£12,000	£9,500
Claims annuity ... ..	17,310	17,310
Taxes ... ..	124,000	73,780
	153,310	100,590
	1,106,690	599,410
Dividends on £1,400,000=	1,085,000 (77½%)	595,000 (42½%)
Surplus ... ..	21,690	4,410

It is interesting to take note how a shortening of the life of a mine and an increase of dividend affect the present value of the shares. We have pointed out this feature on various occasions, but, nevertheless, a good many people have failed to appreciate the decided advantage that accrues to shareholders in case a company has the ability to increase its output and add to the dividend at the expense of a diminishing life. The value of a £1 share of a mine with 34 years' life and 30% dividends works out at £2 12s. 6d., but with half the life and double the dividend, that is 17 years' life and 60% dividends, the present value of the share is increased to £4 4s. 6d. The present value is increased by about 61%.

While with the Modderfontein there is not to be carried out a doubling of capacity, the increase in results from the enlargement will be a great one. A contrast of estimated approximate true profits—not contrast with recent dividends—shows as under: A life of 37 years and 42½% dividends over that period would make the present value of the £4 shares about £15; but a reduction of the life to 20 years on the enlarged basis (plus the dividend of one year of transition) would make the present value of the Modderfontein share about £24. In all these calculations we



have assumed that the investor will, out of the dividend he receives, apply 10% as income, and set aside any excess of dividend for investment at 4% compound interest until the end of the life of the mine, such sinking-fund investment at the end of the life bringing him back the amount he pays for the share. In normal times it was considered a mining property of distinctly assured character, such as a proved Rand mine, ought to command a price based upon an income of 8% or even 7%, but in these times 10% income is a safer basis for valuation; indeed, some persons in the circumstances would look for more than 10%.

	On a Life of 37 Years	On a Life of 20 Years
Present value of a £4 share to give 10% income and to provide for replacing capital invested by the end of the life	... About £24*	About £15
* Allowing for a year's dividend extra on present plant.		

The actuarial calculation in this case means an addition of about 60% to the present value of the share.

**Modderfontein.**—Capital, £1,400,000, in £4 shares. Six tube mills in use. Present capacity of plant, 52,500 tons per month. Additional plant of capacity of 40,000 tons monthly arranged for, to raise total capacity to about 1,100,000 tons a year.

Year to June 30	Stps.	Tons Sort- Milled	ing. %	Revenue Amt.	Perton	Expenses Amt.	Perton	Profit Amt.	Perton	Price end of Period
1913-14	180	510,350	4½	£90,352	38/9	437,663	17/1	552,589	21/8	13½
1914-15	180	611,500	17	1,169,592	38/3	485,256	15/11	683,436	22/4	14½
1915-16.										
July ...	180	52,500	15½	103,792	39/6	44,430	16/11	59,362	22/7	14½
Aug. ...	—	52,500	—	101,225	38/6	44,991	17/1	56,239	21/5	15
Returns include profit from accumulated slimes.										
Dividends—1914, June, 15; Dec., 15 per cent.										
1915, June, 16½ per cent.										

## ROBINSON DEEP MINE.

### PROJECTED EXTENSION OF AREA.

THE Robinson Deep mine, initially formulated as a subsidiary Company of the Gold Fields group in 1894 and reconstructed in 1899, was one of the early deep-level companies that successfully attained the dividend stage, which has been long-continued. Its property may be compared to the shape of a Cape three-cornered postage stamp, the obtuse apex of the triangle being at the north. The property is situated to the south of part of the Crown Mines, the Robinson Gold Mine, and Ferreira Deep, and has the Village Deep at its eastern and the deep-level ground of the Crown Mines on its western border. In its history the Robinson Deep has milled some 6,330,000 tons to March 31, 1915, securing therefrom gold of a value of about £10,886,000, and has distributed dividends aggregating £3,833,661.

The present property has a southern border comparatively near to the outcrop—comparatively, that is, to both the eastern and western neighbours. In a proposal we subsequently refer to for the acquisition of additional adjoining reef area, the aim is to secure ability to work such deep ground under the most economical conditions; and, further, there is the outlook later on of even further deep-level ground in Turffontein being secured. But suffice it for the moment to deal with the contemplated consolidation and capitalisation of the new company to be formed to work the unexhausted portion of the old area, plus the considerable new additional area. It will be useful for purposes of reference, and to understand the position, to have a map, and accompanying these remarks we give a surface plan showing the old and contemplated extended Robinson Deep areas, and the relative positions of the various properties surrounding. We would call attention to the fact that the present southern boundary of the old area is considerably to the north of the position of the reef at the lowest depth being operated upon in the Village Deep, and about on a line with the lowest workings in the Crown Mines area.

Inasmuch as the official scheme makes reference to an estimate of a probable average of 17½% dividends on the present one million £1 shares, it will be useful to note what the results of the last two years' operating of the mine have been. A contrast of results of the 1915 period with those of 1914 is set out below:—

	Year to March 31—1915	Per Ton	1914	Per Ton
Gross receipts ...	(585,730 tons) £827,363	28/3	(619,140 tons) £851,623	27/6
Expenses ...	613,593	17/6	526,898	17/0
Mine profit...	313,770	10/9	324,725	10/6
Sundry net revenue	5,901		7,516	
	319,671		332,241	
Appropriations:	£		£	
Phthisis, &c. ...	11,563		10,580	
Government taxes ...	25,732		22,299	
War expenditure...	2,995		—	
Dividends ... (22½%)	225,000	(27½%)	275,000	
	265,290		307,879	
Surplus ...	54,381		24,362	
Balance brought fwd.	105,408		118,342	
	159,789		142,704	
Applied to reserve ...	19,660		6,588	
Govt. annuities for claims ...	26,345		30,708	
Balance forward ...	113,784		105,408	
	159,789		142,704	

The Robinson Deep Company for many years has sought to acquire some of the "Booyesen's" ground to the south of its property, but engineers representing conflicting interests have never been able to agree as to valuations, and various intermittent negotiations have fallen through. Lately, however, a scheme has

been devised for consolidation of areas, and a meeting is to be held in Johannesburg on November 11, 1915, with a view to adopt a provisional agreement entered into this month.

At the present time the issued one million £1 shares of the Robinson Deep depend for dividend upon the results of working the remaining 82½ claims estimated as intact at March 31, 1915, the Company having exhausted the ore contents of the rest of its initial and acquired 215 claims. The extra Booysen's Estate area sought to be acquired for prolonging the Robinson Deep's life covers a mining area of, in round figures, 342 claims. By working the two properties as one a vast amount of capital outlay will be saved, and apparently, instead of a life of 8½ years for the Robinson Deep alone, the working of the total area of 82½ plus 342 claims, on the use of 600,000 tons a year, would give a long life. It is not at present practicable to form any estimate, as there is no definite location of dyke intrusion that in depth has been found in adjoining property.

Now, here is a proved producing mine whose proprietors seek to acquire additional area where there is no definite assurance—although the reasonable probability—of the existence of payable ore. The necessity of agreement of valuations of experts is obviated if the interests of the Robinson Deep shareholders who own the proved producing area are safeguarded, and the means to this end is ingeniously provided by the recasting of the amalgamated property into a new company, and a fixed cumulative preferential dividend is allocated in respect of the capital of the old Company, and reversion of profit results is secured to a "B" class of £1 shares, given as vendors' consideration, which will rank for dividend subject to the satisfaction of the cumulative preferential dividend.

The present position as to capital of the Robinson Deep is an issued one million £1 shares. For each two £1 (old) shares there will be apportioned a shilling share in the new Company to be formed, having the right to receive 8s. per share per annum for four and a half years, 3s. per share per annum for 17 years, and an aggregate of 6s. in respect of the final four years to December 31, 1940. The working out of the old mine in eight and a half years' time is estimated to result in a total dividend of £1,470,000 (net period), but by spreading the dividend over a period of 25½ years the total in dividends that will be paid to the proprietors of the old area will aggregate £2,325,000, plus £25,000 in final clearance of this form of preferential share.

The nominal one shilling share adopted for the equable division of rights in respect of each two old £1 shares would mean that for four and a half years the shilling share would bring in dividends equal to 20% on the old shares surrendered. Then, for a further 17 years the dividend would, on old capital, equal 7½%, and final dividends for the last four years of 6¼%, 3¾%, 3¾%, and 1¼%. Further, after December 1940 the face value of 1s. per share would be paid off and the shares become extinct.

This position is tabulated below:—

500,000 1s. Shares in place of 1,000,000 £1 Shares.

		Yearly Dividend per 1s. "A" Share s. d.	Amount of Dividends, &c. allocated to 500,000 "A" Shs. £	Equivalent to per Cent. on £1,000,000 Old Capital %
July 1, 1915, to Dec. 31, 1919	4½ years	8 0	900,000	20
Jan. 1, 1920, to Dec. 31, 1936	17 "	3 0	1,275,000	7½
1937 1938 1939 1940	4 "	$\left\{ \begin{array}{l} 2 \ 6 \\ 1 \ 6 \\ 1 \ 6 \\ 0 \ 6 \end{array} \right\}$	150,000	$\left\{ \begin{array}{l} 6 \frac{1}{2} \\ 3 \frac{1}{4} \\ 3 \frac{1}{4} \\ 1 \frac{1}{4} \end{array} \right\}$
Aggregate of 25½ years ... ..			2,325,000	
1s. share final distribution to clear off shares			25,000	
			2,350,000	

8½ years' life with average of 17½ % dividends, from July 1, 1915 = £1,487,500.

The coming into operation of the dividend arrangement will date from July 1, 1915.

By about four and a half years' time developments extended into new area should demonstrate the nature

and assay value of the deeper ore deposits; and it is to be noted that during the month of December 1919 holders of the 1s. "A" shares in the new company are to have the right to call upon the Consolidated Gold Fields of South Africa, Limited, to deliver to them "B" shares—share for share—in exchange for half their holding of "A" shares. This option has been arranged with a view to give such shareholders as may elect to exchange the opportunity of acquiring a speculative holding in the Company up to the expiration of its life, in lieu of the secured but defined equivalent of a share of profits over the extended period of dividend payments to the holders of the 1s. shares.

It is expected that the funds in hand of the Robinson Deep, plus the surplus profits in excess of "A" dividend requirements for 4½ years, will give cash resources sufficient to carry out the shaft sinking—a new central shaft, we believe, is to be sunk in the middle of the Booysen area—and development work contemplated during the four and a half years. Should such be insufficient, arrangements have been made that are subsequently referred to.

We may now pass on to the capitalisation of the contemplated new company.

Capital—£925,000, in 500,000 1s. Cumulative Preference "A" shares and 900,000 £1 "B" shares.

For the 342 additional mining claims, also the freehold rights over an aggregate of 399 morgen, the Consolidated Gold Fields of South Africa, the Central Mining and Investment Corporation, and other controllers and owners of area to be passed to the new Robinson Deep company will receive 681,800 £1 "B" shares of a total authorised 900,000 shares, leaving 218,200 "B" shares in reserve, of which 100,000 are earmarked.

The Consolidated Gold Fields and Central Mining and Investment Corporation each engage, if called upon, to provide a loan for future working purposes. Such loan is not to exceed in all £300,000, at 6½% interest, and has to be repaid not later than the expiration of seven years after the incorporation of the company. Each of the guarantors receives an option to subscribe at par for 50,000 "B" shares, or 100,000 shares in all. This would leave 118,200 of the reserve shares free, there being the possibility that at a later date such shares will be available for the acquisition of area in the Turffontein Estate, lying to the south of the Booysen area.

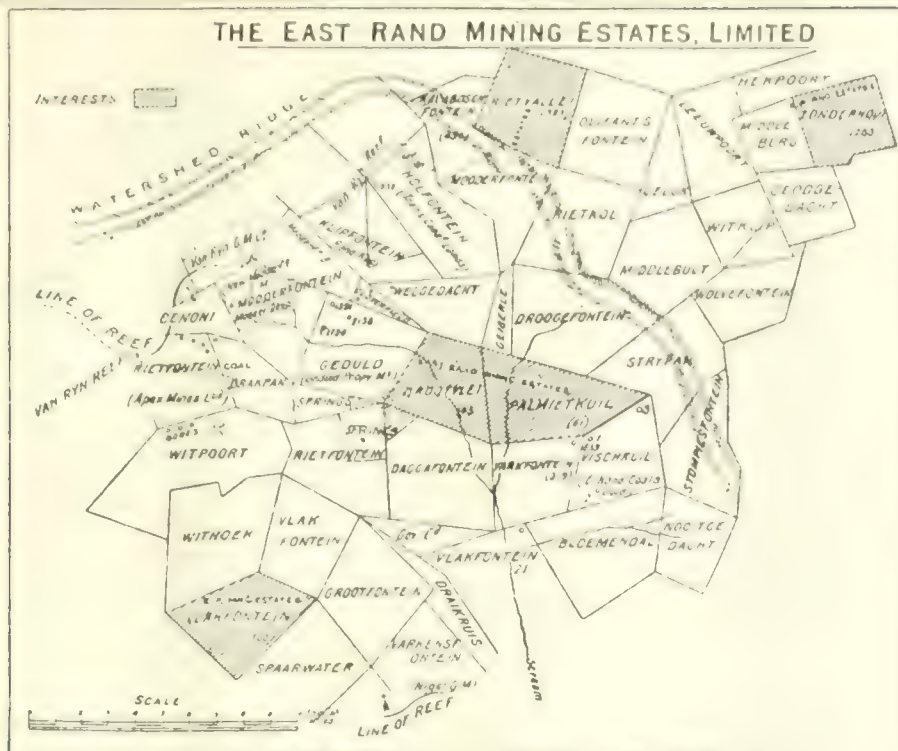
All things considered, in especial the priority of the preferential shares over the total capitalisation, also the avoidance of having to appeal to the market for capital in war time, the scheme appears to be one that holders of Robinson Deep shares should endorse. After 4½ years' experience of development operations, shareholders will then be in a position to see whether it would be advantageous or not to exercise the option offered them, December 1919, of exchanging half their holding of "A" 1s. shares into "B" £1 shares.

The present price of existing Robinson Deep £1 shares is about 22s.

## EAST RAND MINING ESTATES.

THE report of this Company is in issue and the position as at June 30, 1915, is obtainable from its balance sheet that appears in our advertisement pages. In the fever of the excitement of about 1902-03 the shares of this Company were carried up to a very high figure, strong hopes being entertained of the coming into value of areas, owing to the showings of various bore tests. In both these years the price of East Rand Mining Estates £1 shares went to a fraction over £7, while at the present time the quotation is about 6s. 9d., making the market value of its 450,000 shares only £151,875, in respect of surface rights over some 21,000 acres in the Eastern Rand and its interests in mining area held direct or by shareholding.

The Company disposed of its mining rights over the whole of the farm Grootvlei, 7,241 acres, and



received from a subsidiary Company formed—the Grootvlei Proprietary Mines, Limited—approximately 260,000 shares of the authorised capital of 400,000 £1 shares of such Company. The working capital of £100,000 was provided for the Grootvlei, but that money has been spent and the Grootvlei is indebted to the East Rand Mining Estates to the extent of some £15,000. The parent Company at the present time holds 253,000, or about 70%, of the total issued 361,000 Grootvlei shares.

The East Rand Mining Estates also holds farm Palmietkuil, immediately to the east of the Grootvlei area, and in the western portion of this Palmietkuil area boreholes have ascertained the existence of reef, which has also been encountered in four different bores of the adjoining Grootvlei area. Now the whole extent of the two reef-bearing areas, the Grootvlei and the Palmietkuil, lies immediately east of the Geduld farm, north-east of the Springs, and north of the Daggafontein. Some six or seven years after borehole tests were made at the Grootvlei, two shafts were commenced in the autumn of 1909, but these, shortly after they were commenced to be sunk, were found to be so difficult to work, consequent on the influx of water, that in the absence of adequate cash resources the decision was come to in 1910 to stop all operations, and nothing has since been done. The mynpacht area selected by the Grootvlei Proprietary equals about 1,000 mining claims. Inasmuch as the Grootvlei has as its neighbours to the north, west and south the Welgedacht, Geduld, Springs and Daggafontein, sight must not be lost of possibilities. In the circumstances it is not practicable to ask for the supply of further cash resources in order to proceed with work, but the inability to recommence operations must not obscure the potentialities of a property so situated, especially as we have the good showings in respect of the Springs Mines, and a fidget to finance the Daggafontein, where hopes are entertained of the ultimate provision of capital resources in order to proceed further with developments already carried to a stage which encourages hopes.

The issued capital of the East Rand Mining Estates is 450,000 £1 shares; 250,000 shares represented the consideration to vendors, 150,000 shares were issued at par for working capital, and the remaining 50,000 were issued in May 1910 at the price of £1 10s. per share. Besides the mining area, called attention to in preceding remarks, the Company has considerable aggregate

estate area, which has commenced to bring in a revenue in excess of the expenditure upon it. Such rentals are mainly in respect of 7,965 acres of the farm Vlakfontein, situate to the south of Withok, and approximately west of the Nigel mining district. The accompanying plan will help the reader to understand the position of the Company's mining interests, as well as the situation of the farms over which it has control.

### JOHANNESBURG CONSOLIDATED.

FOLLOWING the absorption in November 1905 of the Barnato Consolidated by the Johannesburg Consolidated Investment, the discomforts experienced in the period following up to 1908 were such that in that year the step was taken of appropriating £750,000 from reserve in order to put matters on a sounder basis, and since June 30, 1908, the reserve fund has remained unchanged at £250,000. There was suspension of dividends from 1904 to 1908, but in October 1908 dividends were resumed, a declaration then being made of 5%. The dividends since paid or declared have been as under:—

1915	1914	1913	1912	1911	1910	1909	1908
5	5	5	5	7½	10	10	5

The warrants in respect of the dividend declared on account of the year to June 30, 1915, will be posted to shareholders on September 28.

The last two or three years the fortunes of the Company have mended appreciably, mainly as a result of the success attending some of its subsidiary companies, more particularly the Consolidated Langlaagte and Van Ryn Deep. Gratifying profit results have also been attained from the Witwatersrand (Knights), and recently there has been the arrival at the production stage of the Government Areas.

In its profit and loss statement the Company sets forth, in but one head, its income from all sources, less South African income tax and amounts written

To the

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As regards the Alaska United's interest in the discovery, the indicated value of the ore is the chief concern, for in both of its properties—the Ready Bullion and the 700-Foot Claim—huge tonnages of gold-bearing ore have been brought into sight, and the mill supply is assured for years ahead. In the United's "700-Foot Claim," however, the values encountered in the lowest levels have been much poorer than in the levels above. Driving at the 2,100-foot level last year proved good values in places, but nothing as high as the value of \$2.70 shown by the cross-cut for a width of 73 feet has previously been encountered at this level. This will be seen from the following:—

2,100-Foot Level, 700-Foot Claim Mine.

Foot Driven	1914		1915		1916		1917	
	Jan.	Feb.	Mar.	April	May	June	July	Aug.
Aver. value	\$1.87	\$1.3	\$1.2	\$2.35	\$1.54	\$1.70	\$1.8	\$1.9

If the much better value shown in the cross-cut at the 2,100-foot level proves to be general over the great width and extent of the ore body, the future profit outlook of the United will be considerably brightened, as with very low working costs the Company is able to pay good dividends from a gold yield that would be considered absolutely unpayable in less favourably situated districts. The progress of operations in the current year in contrast with 1913 and 1914, and the increased dividends recently paid, will be seen from the following:—

Alaska United.—Capital, \$901,000, in \$5 shares.

Year to	Ore Crushed Tons	Gold Yield £	Per Ton	Total Costs* £	Per Ton	Net Profit £	Per Ton	Price of Shares end of Period
1913	44,427	2,879	9.3	137,618	6.1	71,091	3.2	34
1914	458,314	193,158	8.5	159,801	7.3	33,357	1.5	—
1915.								
Mar. qr.	125,900	55,840	8.10	36,960	5/10	18,880	3/0	3
June qr.	135,300	52,340	7/9	40,940	6.1	11,400	1.8	3½
July	43,000	17,620	8.2	12,420	5/9	5,200	2/5	3½
Aug.	45,300	14,500	6/4	14,560	6.5	—	—	3rd

\* Including outlay on plant written off. † Loss.

Dividends per cent.—1912, 36; 1913, Feb., 14; May, 12; Aug., 10; Nov., 10. 1914, Feb., 6; May, 4; Aug., 4; Nov. 4. 1915, Feb., 6; May, 8; Aug., 8.

SHAMVA.

It may be recalled in respect of this Company that developments for some time did not come up to expectations, there having been a diminishing length of pay chute exposed from the 1st down to the 4th level, and till cabled advices at the end of August and last week were received there were for a time low-grade assays and doubt about the developments being effected at the 5th level. The aggregate width of 40 feet exposed in the cross-cut at the 5th level is, however, now reported to have an average assay value of 25s. 11d.; but this, of course, is only at one point, and further developments must be awaited to show the extent of the pay chute length. It is worth while recapitulating the showings reported in the last (June) quarterly statement.

Level	Length Ft.	Width Ft.	Value s. d.
Prospect	740	88	16 2
1st	920	110	17 7
2nd	820	97	28 8
3rd	510	29	23 7
4th	310	45	21 5

Shamva.—Issued capital £600,000, in £1 shares.

1914.	Tons Crushed	Value £	Per Ton	Ex-penses* £	Per Ton	Profit £	Per Ton	Price of Share
11 mos.	449,315	271,606	12/1	181,431	8/1	90,175	4.0	—
1915.								
Mar. qr.	135,821(a)	95,701	14/1	56,595	8/4	39,106	5.9	1½
June qr.	145,291	116,574	15/9	59,408	8/0	57,166	7.9	1½
July	50,207	38,490	15/4	20,210	8/1	18,280	7.3	1½
Aug.	49,263	39,287	15/11	21,145	8/7	18,142	7/4	1½

\* Inclusive of royalty, average about 3.6d. per ton crushed.

(a) Decreased tonnage due to heavy rains early part of year.

Dividends—1915, March, 5; June, 7½; Sept., 7½ per cent.

**Oroville Dredging.**—Capital issued, £666,901, in £1 shares. The following shows the dredging results of the Pato Mines (Colombia), in which the Oroville Company owns 70 per cent. of the share capital and all the issued £220,000 of 8% Income notes.

Pato Year ends Sept. 30 Period to	1913-14			1913-14			
	Cub. Yds. Treated	Gold Yield £	Per Cub. Yard Cents	Cub. Yds. Treated	Gold Yield £	Per Cub. Yard Cents	
June 8	784,149	483,672	60.1	June 11	622,428	394,002	63.3
June 26	90,785	25,000	27.5	June 23	—	12,950	—
July 2	149,000	17,500	11.2	July 21	102,730	67,025	65.2
Aug. 1	103,142	12,860	12.2	Aug. 4	63,522	55,996	88.1
Aug. 17	83,636	10,440	12.4	Aug. 18	55,363	25,464	45.9
Aug. 31	72,354	18,900	26.1	Sept. 1	40,352	19,648	48.7
Sept. 14	67,845	28,000	41.3	Sept. 8†	34,311	9,778	28.5

\* Dredge working outside of area where borholes showed values to be low.

† From September 8 to October 1 dredge not operating.

Dividends (Oroville Company)—1909-10, 2½ per cent.; 1914, March, 2½ per cent.; Aug., 2½ per cent.; 1915, March, 2½; June, 2½; Sept., 2½ per cent.

The latest Pato return contains information that the Nechi dredge is passing the river to reach pay gravel, and the first clean-up is expected to be on October 1. This is important, not only from the fact that the Oroville holds virtually the whole of the Ordinary shares of the Nechi Company, but also that with the Nechi dredge bearing its proportion of power, &c., expenses, the Pato costs should not then exceed 8 cents per cubic yard, against the present 11 cents per cubic yard.

**Canadian Mining Corporation.**—According to a recent issue of the *Financial Post of Canada*, "a remarkable system of veins has been uncovered in the City of Cobalt mine workings, right under the streets of the town." No values are mentioned, the ore being termed "remarkable." These reported good developments possibly explain the hardening in the price of the Corporation's shares this week.

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## TABULAR APPENDIX.

## I.—BANK RETURNS.

## BANK OF ENGLAND.—Weekly Account.

An Account pursuant to the Act 7th and 8th Victoria, cap. 32, for the week ended Wednesday, September 22, 1915

## Issue Department.

Notes Issued.....	£80,989,415	Government Debt .....	£11,015,100
		Other Securities .....	7,434,900
		Gold Coin and Bullion .....	62,539,415
	£80,989,415		£80,989,415

## Banking Department.

Proprietors' Capital.....	£14,553,000	Government Securities ...	£31,313,057
Reserve .....	3,767,424	Other Securities .....	135,678,805
Public Deposits.....	108,733,395	Notes .....	49,366,780
Other Deposits .....	89,645,337	Gold and Silver Coin .....	380,761
Seven-day and other Bills	23,057		

£218,717,403

£218,717,403

## Comparison with Previous Five Weeks.

(In £'s sterling—00,000's omitted.)

Date	Active Circulation	Cash Both Depts.	Deposits Public Other	Securities Govt. Other	Reserve	Ratio Reserve to Liabilities.	Bank Rate	Three Months' Bills
1914.								
July 29	£7	£38.1	£2.7	£54.4	£11.0	47.3	26.9	40.03
1915.								
Aug. 18	31.9	67.1	102.7	124.6	45.6	146.2	53.6	23.58
— 25	31.8	67.3	134.1	89.6	45.6	142.1	53.9	24.13
Sept. 1	32.3	68.4	137.9	87.9	44.4	145.1	54.6	24.15
— 8	31.8	67.5	129.8	85.9	34.4	145.2	54.1	25.11
— 15	31.5	63.7	121.5	90.1	34.4	145.0	50.6	23.93
— 22	31.6	62.9	108.7	89.6	31.3	135.7	49.7	25.00

\* July 30, '14 + to 4%; July 31, 8%; Aug. 1, 10%; Aug. 8, 6%; Aug. 8, 6%.

**CURRENCY NOTE ISSUE.**—The amount of currency notes issued and in circulation and the proportion of gold to notes are shown below:—

## I.—Issue Account.

	Notes Issued	Notes Cancelled	Notes Outstanding	Gold Coin & Bullion	Ratio of Gold to Notes
1915.					
Total to Aug. 25	152,592,344	98,390,852	54,201,492	28,500,000	52.5
Week to Sept. 1	5,593,477	2,047,936	67,747,034	28,500,000	49.3
" 8	5,246,411	2,149,883	60,843,562	28,500,000	46.8
" 15	8,731,433	2,423,541	67,151,454	28,500,000	42.4
" 22	5,708,267	2,632,149	70,327,572	28,500,000	40.5

## II.—Balance Sheet, September 22, 1915.

	£	Advances—	£
Notes outstanding—		Scottish & Irish Banks of Issue	
One Pound	51,516,413	Other Bankers	214,000
Ten Shilling	16,911,159	Trustee Savings Banks	331,000
Certificates outstanding	1,900,000	Currency Note Redemption A/c	
Investments Reserve A/c	443,299	Gold Coin and Bullion	28,500,000
		Government Securities	17,700,000
		Balance at Bank of England	23,975,871
Total	70,770,871	Total	70,770,871

**BULLION.**—The Bullion movements at the Bank of England on foreign account have been as follows:—

	Arrivals.	Withdrawals.
1915.		
Sept. 16, Thursday	10,000 bars. 50,000 sovs.†	291,000 bars. 100,000 Egypt * 102,000 Foreign coin. 10,000 sovs. Canada.
" 17, Friday	Nil.	Nil.
" 18, Saturday	Nil.	356,000 U. S. A.
" 20, Monday	Nil.	170,000 U. S. A.
" 21, Tuesday	Nil.	200,000 Egypt.*
" 22, Wednesday	818,000 bars.	Nil.
Total for week	878,000	1,229,000
Net aggregate	[351,000 efflux for week.]	
Sept. 23, Thursday	38,000 bars.	208,000 U. S. coin. 43,000 bars. 400,000 sovs. U. S. A. 275,000 Spain. 50,000 Portugal.
" 24, Friday	Nil.	50,000 sovs. U. S. A.

\* Set aside.

† Released.

## Comparison of Bank Returns, Exchanges, Prices, &amp;c.

	1905	1912	1913	1914	1915
Bank of England (in £'s sterling, 00,000's omitted):					
Circulation	£28.8	£28.8	£28.6	£34.2	£31.6
Public Deposits	13.9	16.9	10.2	28.7	103.7
Other Deposits	41.5	44.0	41.9	125.3	89.6
Government Securities	18.6	13.4	12.4	25.7	31.3
Other Securities	30.2	34.6	27.6	110.7	135.7
Reserve	24.9	31.3	30.5	35.9	49.7
Ratio to Liabilities	44.1%	51.39%	58.34%	25.33%	25.00%
Bullion (both Departments)	35.2	41.7	40.7	51.7	62.9
Money:					
Bank of England Rate	3%	4%	4%	5%	5%
Bank of France Rate	3%	3%	4%	5%	6%
Rate 3 months' Bills London	3%	3½-4%	4%	3½%	4½-5%
Exchanges					
Paris Ocheque	25 16½	25 28½	25 25	25 35	27 66½
Hamburg 8 days	20 43	20 45	20 40½	nom.	9 230.525
New York 60 days	4 82½	4 82.10	4 82	nom.	4 66.50
Bombay Telegraphic Transfers	1¼½	1¼½	1¼½	1¼	1¼
Prices:					
Consols 2½ % Cash	89½	74½	73½	69½	65
French Rente 3 % Money	99 70	90 90	86 67	74	67.25
Silver, London spot	—23½	—29½	—28½	—24½	—23½
Wheat, Gazette average	26½	32 7	31 7	38½	42 9
Cotton, Mid Upland	—56 4	—65 6	—78 9	—75 5	—76 9
Iron, Scotch pig	53 0	72 7½	60 4½	57 1½	70 1½

## ARGENTINA.—Gold in Caja de Conversion.

Sept. 1, 1915	Pesos 233,500,000
Aug. 25, 1915	233,122,963
Dec. 31, 1914	221,703,321
Dec. 31, 1913	233,629,114
July 18, 1913 (maximum)	266,831,800

## BRAZIL.—Gold in Caixa de Conversao.

Aug. 28, 1915	£5,409,724
Aug. 21, 1915	5,476,391
Dec. 31, 1914	9,230,525
Dec. 31, 1913	18,400,501
Feb. 19, 1913 (maximum)	26,772,300

## FOREIGN BANKS.

[In £'s sterling—000's omitted.]

† Last Return before the War.

## DENMARK.

	Gold.	Cash-Silver.	Total.	Dis-counts.	Balance Abroad.	Circula-tion.	De-posits.
July 31, 1914†	£4,100	£341	£4,441	£8,197	£786	£8,893	£47
July 31, 1915	6,946	300	6,246	4,579	2,087	11,352	848
Aug. 31, 1915	6,946	309	6,255	3,608	2,912	11,293	847
Aug. 31, 1914	3,829	144	3,973	8,175	1,395	10,788	625
Aug. 30, 1913	—	—	4,154	4,816	1,111	8,038	58

## FRANCE.

	Gold.	Cash-Silver.	Total.	Bills.	Circula-tion.	Public Deposits.	Private Deposits.
Sept. 8, 1915...	£175,098	£14,572	£189,670	£10,569	£528,921	£2,291	£99,150
Sept. 18, 1915...	177,602	14,585	192,087	9,808	530,881	3,035	101,652
Sept. 23, 1915...	180,003	14,646	194,649	9,983	532,384	4,725	103,506
July 30, 1914†	185,654	25,013	210,667	97,768	267,327	15,302	37,930
Sept. 25, 1913	138,396	25,280	163,676	55,779	202,774	11,449	25,902

## GER-MANY.

	Gold.	Cash-Silver.	Total.	Notes of Treasury & of Other Banks.	Loans & Dis-counts.	Circula-tion.	Deposits.
July 31, '14†	£62,660	£13,741	£76,401	£2,248	£114,184	£145,471	£82,923
Sept. 7, '15...	120,692	2,125	122,817	13,030	254,008	277,994	98,401
Sept. 15, '15...	120,710	2,150	122,860	10,969	256,312	278,534	100,468
Sept. 15, '14...	80,684	2,348	83,032	8,757	238,987	202,680	124,713
Sept. 15, '13...	68,520	13,734	82,254	3,774	50,555	91,872	36,218

## HOLLAND.

	Gold.	Cash-Silver.	Total.	Dis-counts.	Ad-vances.	Circula-tion.	De-posits.
Aug. 1, 1914†	£13,498	£249	£13,745	£13,422	£10,332	£35,660	£1,437
Sept. 11, 1915	31,644	159	31,802	5,117	7,196	43,266	1,758
Sept. 18, 1915	32,072	173	32,245	5,532	7,117	43,266	2,341
Sept. 19, 1914	13,307	479	13,786	15,032	11,063	38,761	2,698
Sept. 20, 1913	12,278	702	12,980	5,619	7,038	25,324	282

## ITALY.

ITALY.	Gold.	Cash. Silver.	Total.	Other Cash.*	Loans & Disconts.	Circulation.	Deposits.
July 31, '14 ...	—	—	£48,456	—	£25,017	£69,204	£6,887
Aug. 10, '15 ...	£45,894	£4,616	50,510	7,093	37,069	111,891	28,319
Aug. 20, '15 ...	45,915	4,561	50,476	7,254	35,086	110,494	28,571
Aug. 20, '14 ...	—	—	49,284	—	40,017	83,841	12,034
Aug. 20, '13 ...	—	—	49,162	—	20,355	65,786	8,297

\* Including foreign gold bills, State notes, and small change.

## JAPAN.

	Cash.	Discounts.	Advances.	Notes.	Deposits.
Aug. 1, '14†	£21,867	£1,829	£7,883	£32,722	£13,818
Aug. 7, '15...	21,374	659	7,060	29,332	20,976
Aug. 14, '15...	21,287	639	6,732	29,662	21,402
Aug. 15, '14...	21,810	2,053	7,878	30,996	16,252
Aug. 16, '13...	21,589	6,842	7,687	33,500	18,859

## N. YORK BANKS &amp; TRUSTS.

	Own Vaults.	Reserve in De-positories.	Total.	Loans and Dis-counts.	Deposits.	Circula-tion.	Surplus Reserve.
Aug. 1, '14†	—	—	£39,888	£411,238	£387,185	£8,318	£1,720
Sept. 11, '15	£101,114	£33,557	134,671	533,337	582,837	7,396	41,977
Sept. 18, '15	105,784	33,670	139,454	539,768	577,534	7,348	43,400
Sept. 19, '14	—	—	81,740	448,080	396,841	25,940	Def. 7,680
Sept. 20, '13	—	—	82,288	389,237	356,918	9,034	1,738

## NORWAY.

	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Dis-counts & Loans.	Circula-tion.	Deposits.
July 31, 1914†	£2,960	£1,678	£493	£4,868	£6,752	£793
Sept. 7, 1915...	3,463	3,720	784	4,076	7,693	1,731
Sept. 15, 1915...	3,446	3,753	783	3,961	8,322	1,486
Sept. 15, 1914...	2,749	1,558	496	6,269	7,377	1,247
Sept. 15, 1913...	2,566	1,755	504	3,872	5,811	442

## RUSSIA.

	Gold.	Cash-Silver.	Total.	Notes in Reserve.	Loans & Dis-counts.	Circula-tion.	Total Deposits.
July 21, '14†	£174,509	£7,383	£181,892	£6,589	£78,081	£183,411	£109,911
Aug. 28, '15...	185,627	3,673	189,300	7,766	349,459	409,234	140,417
Sept. 5, '15...	183,802	3,189	186,991	6,854	360,993	410,148	139,323
Sept. 5, '14...	172,713	5,711	178,424	8,261	131,889	251,738	98,019
Sept. 5, '13...	162,800	7,298	170,098	5,168	85,919	154,842	106,572

## SPAIN.

	Gold.	Cash-Silver.	Total.	Loans & Dis-counts.	Spanish 4 %	Circula-tion.	Deposits.
Aug. 1, '14†	£21,804	£29,187	£50,991	£40,572	£13,778	£77,557	£18,955
Sept. 11, '15...	29,355	29,480	58,835	40,880	13,777	80,858	26,069
Sept. 18, '15...	29,638	29,523	59,166	40,796	13,777	80,863	25,330
Sept. 19, '14...	21,905	27,310	49,215	49,196	13,777	79,829	22,615
Sept. 20, '13...	18,627	29,695	48,322	40,244	13,777	75,691	16,318

## SWEDEN.

Sept. 19, '14...	21,905	27,310	49,215	49,196	13,777	79,829	22,616
Sept. 20, '13...	18,627	29,695	48,322	40,244	13,777	78,891	16,318
<b>SWEDEN.</b>							
	Gold.	Balance Abroad.	Swed. & For. Govt. Secs.	Discounts & Loans.	Circulation.	Deposits.	
Aug. 1, '14 --	£5,717	£6,150	£1,555	£7,495	£13,432	£3,903	
Sept. 4, '15 ...	6,301	5,718	2,702	5,728	15,889	4,073	
Sept. 11, '15	6,299	5,627	2,673	4,905	15,709	3,455	

## II.—FOREIGN BANK RATES OF DISCOUNT.

	Current Rates	Date Fixed	A Year Ago
Paris	5	Aug. 20, '14	Aug. 20, '14
Berlin	5	Dec. 23, '14	Aug. 1, '14
Amsterdam	4 1/2	July 1, '15	Aug. 27, '14
Brussels	5	Aug. 27, '14	Aug. 27, '14
Vienna	5	Apr. 12, '15	Aug. 20, '14
Petrograd	5	July 27, '14	July 27, '14
Rome	5 1/2	Nov. 8, '14	Aug. 3, '14
Madrid	4 1/2	Oct. 26, '14	Sept. 1, '14
Stockholm	5 1/2	Jan. 5, '15	Aug. 28, '14
New York (Fed. Res. Bank)	3-5	Feb. 4, '15	

## III.—PUBLIC INCOME AND EXPENDITURE

	Receipts	Expenditures	Treasury	Treasury
	Revenue	Supply Int. on	Balance	Out-
	£	£	£	£
1915, Period	£	£	£	£
7 days to Sept. 4	3,260	53,901	32,280	13,748
7 " Sept. 11	3,743	19,189	38,384	347
7 " Sept. 18	6,093	38,143	45,397	831
172 days to Sept. 18, 1915	96,164	862,825	597,464	282,172
173 days to Sept. 19, 1914	72,751	142,880	103,594	33,620
				137,214
				16,101
				+ £,666*

\* Increase or decrease since April 1.

## IV.—FOREIGN EXCHANGES.

## Course of Exchange.

	Sept. 24, '15	Sept. 17, '15	Sept. 10, '15	Sept. 3, '15
LONDON ON—				
Holland	3 mos. 11 7/8	11 7/8	11 1/2	11 1/4
— Cable	11 5/8	11 5/8	11 5/4	11 4/4
Italy	3 mos. 30 00	29 95	30 40	30 37 1/2
— Cable	29 50	29 55	30 00	29 55
Lisbon & Oporto	do. 35	35	35 1/2	35
New York	do. 4 7/8	4 7/8	4 3/4	4 3/4
— Cheques	4 7 1/2	4 7 1/4	4 6 3/4	4 7 0/4
Paris	3 mos. 28 00	27 85	28 20	28 00
— Cable	27 60	27 45	27 7 1/2	27 5 1/2
Petrograd	do. 137 1/2	139 1/2	135 1/2	135
Scandinavia	do. 18 15	18 1 1/2	18 1 1/2	18 0 1/2
Spain (Bank places)	3 mos. 46	46 1/2	46 1/2	46 1/2
— Cable	24 85	24 85	24 95	24 90
Switzerland	3 mos. 25 40	25 25	25 40	25 27 1/2
— Cable	25 00	24 85	25 00	24 80

## Foreign Rates of Exchange on London, &amp;c.

	Sept. 24, '15	Sept. 17, '15	Sept. 10, '15	Sept. 3, '15
Alexandria	Sight 97 1/2 pt.	97 1/2 pt.	97 1/2 pt.	97 1/2 pt.
Amsterdam	Sight 11 1/2 58 1/2 c.	11 1/2 58 1/2 c.	11 1/2 54 1/2 c.	11 1/2 48 1/2 c.
Bombay	Transfers 1s. 4 1/2	1s. 4 1/2	1s. 4 1/2	1s. 3 1/2
Buenos Ayres	90 days 48 1/2	48 1/2	48 1/2	48 1/2
Calcutta	Transfers 1s. 4 1/2	1s. 4 1/2	1s. 4 1/2	1s. 3 1/2
Hong Kong	Transfers 1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.	1s. 9 1/2 d.
Italy	Sight 29 1/2 60 c.	29 1/2 55 c.	30 1/2 05 c.	29 1/2 90 c.
Lisbon	Sight 35 1/2	35	35 1/2	35 1/2
Madrid	Sight 24 1/2 92 1/2	24 1/2 90	24 1/2 92 1/2	24 1/2 90
Montevideo	90 days 52 1/2	52 1/2	52 1/2	52 1/2
Montreal	Cables 84 7 1/2	84 7 1/2	84 7 1/2	84 6 1/2
New York	Sight 84 7 1/2	84 7 1/2	84 6 1/2	84 6 1/2
— 60 days	84 6 1/2	84 6 1/2	84 6 1/2	84 6 1/2
— on Berlin	Sight 83 1/2	83 1/2	82 1/2	80 1/2
— on Amsterdam	Sight 40 1/2	40 1/2	40 1/2	39 1/2
— on Mexico	Silver 38 1/2 c. U.S.	38 c. U.S.	38 c. U.S.	38 c. U.S.
Paris	Oneques 27 1/2 60 c.	27 1/2 57 1/2 c.	26 1/2 85 c.	27 1/2 57 1/2 c.
Petrograd	Sight 137 1/2	139	135 1/2	135
Rio de Janeiro	90 days 12 1/2 d.	12 1/2 d.	12 1/2 d.	12 1/2 d.
Scandinavia	Sight 18 1/2 12 1/2	18 1/2 10	18 1/2 17 1/2	18 1/2 12 1/2
Shanghai	Transfers 2s. 3 1/2 d.	2s. 3 1/2 d.	2s. 3 1/2 d.	2s. 3 1/2 d.
Switzerland	Sight 25 1/2 00	24 1/2 85 c.	25 1/2 0 1/2	24 1/2 80 c.
Valparaiso	90 days 9 1/2 d.	8 1/2 d.	8 1/2 d.	8 1/2 d.

\* Previous day's rates. † 10.30 a.m.

## V.—BANKERS' CLEARING-HOUSE RETURNS.

Name.	Week.	Amount.	Inc. or Dec.*	1915 Agg.	Inc. or Dec.*
	1915.	£		£	%
BIRMINGHAM	Sept. 18	1,682,540	+ 563,084	62,915,509	+ 5,372,814 + 9.3
BRISTOL	" 18	865,000	+ 159,000	28,757,000	+ 1,719,000 + 6.4
DUBLIN	" 18	3,646,406	+ 493,800	139,018,100	+ 14,243,900 + 11.4
LEEDS	" 18	461,878	+ 122,123	23,649,280	+ 4,823,964 + 25.6
LEICESTER	" 18	402,213	+ 185,841	14,815,760	+ 3,435,544 + 30.1
LIVERPOOL	" 18	5,272,833	+ 1,737,895	204,789,678	+ 32,787,239 + 19.6
MANCHESTER	" 18	6,682,937	+ 2,566,395	250,194,264	+ 1,522,484 + 0.6
NEWCASTLE	" 18	1,247,000	+ 302,000	54,877,305	+ 10,933,600 + 24.9
NOTTINGHAM	" 18	330,132	+ 86,160	13,281,146	+ 573,812 + 4.2
SHEFFIELD	" 18	429,561	+ 135,912	22,307,742	+ 3,252,879 + 17.1

	1915.	1914.	1913.	Homewards—cont.	1915.	1914.	1913.
TOWN	Sept. 22	195,930 +	45,391	7,830,777	— 2,002,899	— 20.3	
METROPOLITAN	" 22	15,341 +	2,449	680,118	+ 48,174	+ 7.3	
COUNTRY	" 22	28,200 +	6,787	1,129,178	+ 129,069	+ 12.9	
TOTAL	" 22	239,471 +	54,627	9,670,073	— 1,827,458	— 15.9	

The following special items are included in the London clearings:—

STOCK EXCHANGE				CONSOLS				"FOURTH" OF THE			
SETTLING DAYS.				SETTLING DAYS.				MONTH.			
1915	£	+	or -	1915	£	+	or -	1915	£	+	or -
Aug. 12	43,164	—		July 1	59,808	—	37,582	July 3	45,682	—	19,891
Aug. 27	42,899	—		Aug. 6	52,168	—		Aug. 4	56,063	—	4,722
Sept. 16	45,083	—		Sept. 1	51,180	—		Sept. 4	39,722	+	15,393
1915 Agg.	701,388	—			434,108	—			411,952	—	90,371

\* Compared with a year ago.

## VI.—FREIGHTS.—According to Messrs. Farrar, Groves &amp; Co., representative steam freight quotations compare as follows:

HOMEWARDS.	1915.	1914.	1913.	Homewards—cont.	1915.	1914.	1913.
Alex. to Lond. or Hull	25/0	—	—	U.S. Atl. Ports to U.K.	—	—	—
Aust. to U.K. or Cont.	—	33/6	—	Cont. (grain)	9/3	2/6	2/6
Azoff to L.H.A.R.	—	16/0	13/3	N.O. to L.H. (cotton)	145/0	—	—
Bombay to p.p. d.w.	51/3d w/ 20/3	23/0	23/0	N.O. to U.K. Cont. (gr.)	—	—	3/3
Burmah o.c.	—	26/0	—				
Calcutta to p.p. d.w.	67/8d w/ 32/8	28/0	—	OUTWARDS.—Cardiff to			
Danube to A.R.	—	13/3	—	Bom. Col. Port River St. Vin.			
Odessa to L.H.A.R.	—	11/9	—	bay. omo. Said. Plate. cont.			
R. Plate to U.K. Cont.	55/0	18/0	14/8	1915...	—	32/8	30/0
U.S. Atlantic Ports to	—	—	—	1914...	9/8	9/0	7/8
U.S. (cotton)	130/0	—	38/8	1913...	11/8	12/6	9/3
						21/8	9/9

## VII.—PRICES OF WHOLESALE COMMODITIES.

Approximate Prices and Position at latest dates for which statistics are available in comparison with quotations at corresponding dates in previous two years:—

	SEPT. 25.	1915.	1914.*	1913.
METALS, MINERALS, &c.				
Iron—Scotch pig warrants	ton	70 1/4	57 1/4	60 1/4
— Middlebrook warrants	ton	64/0	51 1/4	54 6/4
— Hematite warrants	ton	85/0	88/0	87/3
— Staffordshire bars, London	ton	£12	£9	£9 10
— Common bars	ton	£11 12/8	£8 2 8	£7 10
— Stock, Middlebrook	tons	142 35 1/4	100 833	178 143
Steel Rails	ton	£9 2 8	£8 15	£8 15
Copper—Standard	ton	£89 15	£70 15	£57 5
— Stock, Europe & Ind., Aug 31 tons	ton	39 23 1/2	34 80 1	28 0 11
Tin—English ingots	ton	£152	£137	£195
— Straits	ton	£153	£136 10	£192
Tinplates—Coke I.O.	box	17 1/4—17 1/4	14 8—18 9	14 3—18 8
Lead—Soft Foreign	ton	£24 5	£19 7 1/2	£20
Spelter—Ord. Foreign	ton	£25	£20 15	£21
Quicksilver—(75lb.)	bottle	£18	£7	£7 1/2
Aluminium	ton	£190—£200	£90	£91
Antimony—Regulus	ton	both	£36	£28 10
Coal—Steam (best) Cardiff	ton	nom.	21 9	20/0
— (best) Newcastle	ton	18/0	13 8	14 9
CHEMICALS, OILS, &c.				
Nitrate of Soda—Chemical wgt.	ton	13/8	11/3	11/3
Soda—Crystals ex ship	ton	£2 2/6—£2 5	£2 2/6—£2 5	£2 2/6—£2 5
Cochineal—Teneriffe Silver	lb	1/9—1/10	2/0—2/3	1/10—2/0
Copra—Malay & Straits	ton	£23 10	£23 10	£23 10
Gambier—Good marks	cwt	34/0	16 10 1/4	18/0
Indigo—Bengal good to fine, lb.	lb.	13 9—15 8	8 6—9 0	3/0—3/8
Linseed Oil—Spot, barrels ton	ton	£28 10	£28	£23 10
Linseed—Calcutta, spot, 410lb	ton	£57 3	£46 0	£48 3
Olive Oil—Spanish	ton	£50—£51	£55	£48—£49
Palm Oil—Lagos	ton	£30	£31 10	£38
Petroleum—American	gallon	£7 1/2	£9 1/2	£8 1/2
Rape Oil—Refined English	ton	£38—£39	£36	£32
Soya Oil	ton	£23 10	£25 10	£28 15
Tallow—Aust. mixed	cwt	35/9	27/6—31/0	33/8—35/3
Turpentine—Amer. Spirit, cwt.	cwt.	35 1/4	31 8	29 7 1/2
Rape Seed—Toria	lb.	£53/0	£51/8	£47/6
Rubber—Para, spot	lb.	2 1/4	2 9	2 3
— Fine plantation (small)	lb.	2 4	2 1 1/4	2 3
— World's Vissap (all kinds)—Mayton	ton	19 0 1/8	21 500	17 8 1/4
Shellac—T. N. Orange, fair	cwt	89/6	54/0—55/0	97/0—98/0
TEXTILES.				
Cotton—Middleling Upland	lb.	—/8 59	—/5 55	—/7 89
— Egyptian good fair	lb.	—/7 75	—/7 60	—/10 00
— Pernambuco, fair	lb.	—/8 42 1/2	—/8 09	—/7 87
— Mid. Upl. New York	lb.	11 35 1/2	10 75	13 75
— Stock, Liverpool, Sept. 17 bales	bales	1,087,650	854,770	451,350
Flax—Petrograd, Yarpol, ton	ton	£85	£38	£35
Hemp—N. Zealand, good fair ton	ton	£33	£25 10	£30
— Manila, fair strips	ton	£29 15	£26 15	£30
Jute—First Marass, spot	ton	£25 10	£25	£25 5
— Red SOO	ton	£23 10	£31	£32
Silk—Blue Elephant	lb.	9 3	11/3—11/8	10/9—11/0
Wool—Pt. Philip unwashed av. lb.	lb.	1/0—1/1	1/1 1/4—1/0	—/11 1/4—1/0 1/4
— Lincoln Half Hogs	lb.	1/5 1/2	1/1 1/4—1/0 1/4	1/0 1/4—1/1
Hides—English Ox, 90lb. cover lb	lb.	—/9 1/2	—/8 1/4—7/4	—/7 1/2
Leather—Dressing Hides	lb.	2/1—2/7	1/19—2/4	1/4—1/8
VEG. FOOD, CORN, &c.				
Wheat—Vis. sup. U.S. Sept. 20 bus.	bus.	10,737,000	37,018,000	49,781,000
— Red, price, N.Y. 60lb.	bushel	128 c.	119 c.	98 c.
— English Gazelle, aver. 480lb. qr	qr	42/9	38/3	31/7
Flour—London, Whites ex Mill 280lb	qr	44 0	37/6	30/0
Barley—Eng. Gaz., aver. 400 lb. qr	qr	39/0	29/5	30 9
Oats—Eng. Gaz., aver. 312lb. qr	qr	28 4	23 8	17/11
Malze—N.Y., (new bushel) 56lb	lb.	nom.	87 1/2	79 1/2
— Amer. mixed, Liverpool, 100lb.	lb.	8/11—9/0	7/10 1/2	5/1
— La Plata	qr	30/9—31/0	28/0—28/0	25 0
Potatoes—Kents	ton	75/0—80/0	65/0—67/0	77/6
Rice—Imports since Jan. 1, tons	tons	32,583	21,495	9,408
— Deliveries do.	tons	22,188	18,359	11,789
— Stock	tons	17,370	9,221	4,984
— Price, Basseein	cwt	17/0	10 1/2	7/10 1/2—8/3
Taploca—Pearl, medium cwt.	cwt.	18 8	15/6—18/0	15/0—20/0
Hay—Best, 2,016lb. load	load	115/0—127/6	85/0—92/6	95/0—105/0
Hops—English	cwt.	£5 12/8—£7	£8 5—£7	£10—£10 10
ANIMAL FOOD.				
Beef—Argen. chilled hndrs. 8lb	8lb	4/4—4/8	4/4—4/8	3/2—3/8
— Scotch sides	8lb	8/4	4/10—5/4	4/6—4/10
— English	8lb	5/2—5/10	4/6—4/9	3/8—4/4
Mutton—Scotch	8lb	6/2—6/6	5/8—8/0	4/10—5/2
— English wethers	8lb	5/8—6/4	3/8—3/10	4/0—4/4
— New Zealand frozen	8lb	4/9—5/0	3/6—3/11	2/10—3/2
Pork—English	8lb.	5/8—6/8	3/10—4/6	4/6—5/4
Bacon—Irish	cwt.	102/0—105/0	78/0—88/0	82/0—87/0
— Danish	cwt.	102/0—107/0	74/0—82/0	79/0—86/0
Hams—Amer. long cut	cwt.	74/0—78/0	74/0—79/0	68/0—92/0
— short cut	cwt.	75/0—78/0	74/0—77/0	68/0—92/0
Lard—Amer. pails	cwt.	50 50—53 0	53 8—55 8	57 8—59/0
Butter—Danish	cwt.	190/0—194/0	126/0—134/0	132/0—134/0
— Siberian	cwt.	118/0—140/0	108/0—120/0	90/0—108/0
— French	cwt.	123/0—156/0	94/0—112/0	90/0—118/0
— New Zealand	cwt.	—	—	—
— Australian	cwt.	—	110/0—128/0	100/0—118/0
Cheese—Canadian	cwt.	74/0—78/0	72/0—74/0	84/0—87/0
— New Zealand (white)	cwt.	78/0—78/0	—	—
SUGAR, COFFEE, TEA, &c.				
Sugar—Imports since Jan. 1 tons	tons	462,189	500,311	660,714
— Deliveries do.	tons	641,135	564,673	605,413
— Stock	tons	44,580	47,547	111,173
— Price, Java, 96° Pol.	cwt.	20 6	21 0	10/10
— Mauritius, crystals	cwt.	24 6—28 0	28 6—30/0	15/0—15/3
— Tate's Cubes, No. 1	cwt	5 6	33 8	18/3
Coffee—Imports since Jan. 1 tons	tons	52,902	40,825	31,634
— Home consumption do.	tons	14,575	11,242	11,162
— Exports do.	tons	18,185	18,829	15,014
— Stock	tons	33,053	21,032	13,490
— Price Costa Rica gd. to fine cwt.	cwt.	75/0—84/0	78/0—80/0	82/0—90/0
— Brazil (Santos) spot	cwt.	38 10 1/2	36 6	45 0
Tea—Imports (for 6 months) lb	lb	240,107,991	198,247,058	183,493,545
— Home consumption do.	lb.	217,214,322	215,643,861	200,504,329
— Exports do.	lb.	37,694,068	33,537,451	36,805,994
— Stock, Aug. 31	lb.	93,482,000	81,039,000	82,223,000
— Price, Indian, Pek. Song, good lb.	lb.	—/10 1/2	—/8	—/8 1/2
— Ceylon, Pek., Song, Ord.	lb.	—/9 1/2	—/8	—/8 1/2
— Common Congou	lb.	—/7 1/2	—/8	—/4 1/2
Cocoa—Grenada, good to fine cwt.	cwt.	80/0—84/0	52/0—54/0	87/0—69/0

## VIII.—TRAFFIC RECEIPTS.

## IRISH RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -	
Bel. & C. Down	Sept. 17	80	—	£4,033	+	529 37	140,700	+	12,234
Cork, Ban. & S.O.	Sept. 17	103	—	2,338	+	32 37	77,271	+	3,355
Dublin & S.E.	Sept. 17	180	—	6,087	+	1,208 37	207,201	+	178
Gt. Northern	Sept. 17	581	—	25,785	+	1,835 37	880,310	+	27,010
Gt. S. & Western	Sept. 17	1,130	—	35,849	+	1,017 37	1,221,248	+	101,438
Mid. Gt. West.	Sept. 17	538	—	14,198	+	1,753 37	473,053	+	15,593

\* \* \* On August 5, 1914, Government assumed control of railways of Great Britain under warrant, renewable weekly, issued in pursuance of Regulation of the Forces Act, 1871.

## INDIAN RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross. Rupees.	+ or - Rupees.	Wks	Total, Rupees.	+ or - Rupees.
Assam Bengal Aug.	14	882	+11	1,01,000	-	18,359 20	25,13,612 +	39,034
Barsi Light ... Aug.	21	118	-	15,500	+ 8,100 21		4,67,800 -	58,700
Bengal & N.W. Aug.	14	8,041	+13	2,43,790	- 33,398 20		72,17,370 -	10,65,399
Bengal Doars Aug.	28	163	-	18,354	- 15,432 22		5,67,351 -	33,221
Beng. Nagpur Aug.	21	2,685	+ 7	6,50,000	+ 69,000 21		1,58,31,000 +	1,67,000
Bomb. Baroda Sept.	18	2,859	+32	11,48,000	+ 78,000 25		2,81,90,000 -	4,83,000
Burma ..... Aug.	14	1,342	-	2,98,510	+ 44,383 20		73,10,870 -	14,62,910
East Indian ... Sept.	18	2,716	- 2	19,21,000	+ 3,000 25		5,01,77,000 -	3,38,000
Gt. Indian Pen. Sept.	18	2,981	+15	14,08,300	+ 4,79,900 25		3,72,89,710 -	8,31,312
Madras & S.M. Aug.	28	3,132	-	7,65,000	+ 1,33,537 22		1,83,75,432 +	8,20,205
Nizam's Guar. Aug.	21	777	-	1,74,383	+ 42,017 21		38,85,388 -	5,38,832
Roh. & Kumaon Aug.	14	545	+ 1	58,004	+ 1,678 20		14,73,350 -	19,815
South Indian Aug.	21	1,783	+10	5,41,768	+ 61,773 21		1,14,39,525 -	3,88,334
South Punjab M. of Apr.		923	-	4,53,144	- 1,841 1	1		

## COLONIAL RAILWAYS.

Company.	Week to	Miles.	+ or -	Gross.	+ or -	Wks	Total.	+ or -
Can. Northern Sept.	14	4,985	+295	\$417,700	—	41,000 10	3,100,000	+
Can. Pacific...	Sept. 14	12,921	+694	2,214,000	—	282,000 10	20,525,000	+
Gd. Trunk Pac. Sept.	14	918	—	\$13,729	—	10,644 10	128,282	—
Grand Trunk Sept.	21	4,008	—	170,741	—	9,205 37	5,815,379	—
Grd. Trunk W. Sept.	21	336	—	32,877	—	1,501 37	1,077,963	—
Det. Grd. Ha. Sept.	21	189	—	12,462	—	1,289 37	390,221	—
Mashonaland M. of July	761	—	—	48,992	—	21,116 10†	399,211	—
Mid. W. Aust. M. of July	277	—	—	5,268	—	4,279 1†	—	—
New Cape Cent. Aug.	21	205	—	1,595	—	434 34	61,335	—
Rhodesia Rlys. M. of July	1,397	—	—	83,636	—	13,491 10†	636,711	—

## FOREIGN RAILWAYS.

Company.	Week to	Miles.	+/-	Gross.	+ or -	Wks	Total.	+ or -
Alcoy & Gandia	Sept. 18	33	—	Ps. 12,000	+	4,000 38	464,700	—
Antofagasta	Sept. 19	819	—	28,450	—	12,390 38	888,405	—
Arauco	M. of July	844	—	6,750	—	225 7	41,625	—
Arg. N. East	Sept. 18	762	+ 85	7,034	+	2,584 12	78,851	—
Arg. Transand.	Sept. 18	111	—	290	—	10 12	2,370	—
Bolivar	M. of Aug.	110	—	7,250	+	1,374 2	14,250	—
Brazil	M. of May	3,362	—	\$3,282,000	—	17,244 5	15,983,000	—
Paulista	M. of May	721	—	\$1,500,000	—	23,438 5	8,850,000	—
Mogiana	M. of May	1,131	+ 57	\$1,263,000	—	256,423 5	7,833,000	—
B.A. & Pacific	Sept. 18	3,535	+ 17	70,000	+	15,000 12	931,000	—
B.A. Gt. So.	Sept. 19	3,792	+ 83	84,000	+	25,000 12	929,908	—
B.A. Western	Sept. 19	1,867	+ 75	39,000	+	2,000 12	493,000	—
Cent. Argentine	Sept. 18	3,307	+ 45	109,000	+	7,000 12	1,283,800	—
Cent. Uruguay	Sept. 18	271	—	9,428	+	2,042 12	121,247	—
" (E. Ext.)	Sept. 18	311	—	2,950	+	882 12	38,496	—
" (N. Ext.)	Sept. 18	185	—	1,381	+	167 12	20,543	—
" (W. Ext.)	Sept. 18	211	—	1,560	+	510 12	17,168	—
Colomb. Nat. M. of May	88	—	—	9,612	—	2,928 5	47,412	—
Col. Rys. & Nav. M. of Aug.	654	—	—	21,771	—	3,829 2	42,826	—
Cord. Central	Sept. 18	1,188	—	30,150	—	7,605 12	401,700	—
Cuban Central	Sept. 18	354	+ 9	7,881	+	1,146 12	86,712	—
Dorada Ext.	M. of Aug.	71	—	9,900	—	100 8	62,900	—
Egyptian Delta	Aug. 31	619	—	4,897	+	353 21	60,878	—
Entre Rios	Sept. 18	730	—	9,200	+	1,400 12	103,000	—
Gt. S. of Spain	Sept. 11	104	—	Ps. 63,302	—	18,200 37	2,151,515	—
Gt. W. Brazil	Sept. 18	1,010	—	7,000	+	100 38	356,400	—
La Guaira & Ca. M. of Aug.	23	—	—	5,750	+	3,000 8	54,750	—
Leopoldina	Sept. 18	1,808	+ 33	34,176	+	13,776 38	1,073,819	—
Manila North	Sept. 18	315	+ 2	3,387	—	844 38	200,396	—
" South	Sept. 18	266	+ 61	3,241	+	66 38	141,635	—
Mid. Uruguay	M. of Aug.	319	—	12,553	+	5,099 2	22,768	—
Nitrate (2 wks.)	Sept. 15	366	—	19,009	+	7,127 36	224,475	—
N.W. Uruguay	M. of Aug.	113	—	25,000	+	8,257 2	46,500	—
Paraguay Cent.	Sept. 18	255	—	474,000	+	236,000 12	4,917,000	—
Peruvian Corp.	M. of Aug.	1,059	—	819,039	+	164,095 2	1,543,877	—
Puerto Cabello	M. of July	24	—	3,000	—	250 7	26,158	—
Salvador	Sept. 18	100	—	12,000	—	1,750 12	239,750	—
San Paulo	Sept. 12	1,534	—	32,731	+	14,639 11	401,643	—
Talca	Sept. 18	184	—	18,218	+	1,253 2	26,378	—
U. of Havana	Sept. 18	681	—	23,643	+	5,464 12	272,642	—
Urg. Northern	M. of Aug.	73	—	1,745	+	446 2	3,632	—
W. of Havana	Sept. 18	147	—	4,938	—	498 12	57,661	—
Zafra & Hlva. M. of Aug.	112	—	—	9,613	—	542 8	62,817	—

## TRAMWAYS.

Company.	Wk. end	Miles.	+ or -	Gross.	+ or -	Wks.	Total.	+ or -
Anglo-Argentine Sept.	16	369	+21	£ 47,626	—	3,609 37	1,880,567	—
Auckland (4 wks) Aug.	27	254	—	£ 19,876	—	1,170 8	42,029	—
Brazil'n Tract'n M. of July	—	—	—	\$ 7,703,000	+240,140	7	44,387,110	+1,480,082
Brisbane Electric M. of Aug.	30	—	—	£ 36,064	—	1,892 8	244,714	—
Bristol..... Sept.	17	31	—	£ 10,169	—	1,477 37	366,337	—
British Columbia M. of July	242	+ 51	—	\$ 510,723	-179,300	1	—	—
Calcutta..... Sept.	18	351	—	£ 67,387	—	1,336 38	24,53,658	—
Cape Electric..... M. of Aug.	423	—	—	£ 17,640	—	2,704 2	34,982	—
Carth. & Horr..... M. of Aug.	9	—	—	£ 1,102	—	1,235 8	14,328	—
Cork Electric..... Sept.	16	81	—	£ 1,073	—	25 37	40,362	—
Dublin United Sept.	17	544	—	£ 8,644	—	1,058 37	227,928	—
Havana Electric Sept.	5	—	—	£ 49,437	—	2,631 36	1,832,457	—
Isle of Thanet..... Sept.	18	23	+11	£ 735	—	180 52	21,957	—
Kalgoorlie..... M. of July	204	—	—	£ 2,775	—	223 7	18,954	—
Lanarkshire..... Sept.	16	281	—	£ 2,328	—	878 37	72,153	—
London O. C..... Sept.	15	141	-1	£ 48,414	—	5,888 24	1,048,862	—
Madras Electric Sept.	15	—	—	£ 30,845	—	3,688 37	499,757	—
Manila Electric M. of July	—	—	—	\$ 123,750	-10,150	7	847,753	-119,837
Provincial..... Sept.	18	21	—	£ 2,594	—	524 50	110,191	—
Rangoon Electric M. of Aug.	25	—	—	£ 4,510	—	119 8	38,884	—
U. of Montevideo M. of Aug.	80	—	—	£ 26,493	—	418 10	278,346	—
Yorks. W. Riding Sept.	19	24	—	£ 1,606	—	220 38	60,606	—

(a) Net earnings after taxes. (b) Net earnings before taxes. (c) Paraguayan paper dollars. (d) Peruvian sales. (e) Data compiled by New York Commercial and Financial Chronicle covering 243,042 miles of road. (f) Aggregate of N. Y. Chronicle's monthly compilations. (M) Mileage. (\*) Compared with previous year. (t) Months. (.) Track miles. (v) Includes Det., Gd. Haven & Milwaukee Ry. (:) No. of cars.

## GROSS AND NET RECEIPTS OF AMERICAN RAILWAYS.

Company.	Period.	Gross.	+ or -	Net.	+ or -			
423 Cos. (000's omitted)	July to June	(a) \$262,948 (f) 2,937,516	+	\$2,324 154,681	+	\$87,685 664,364	+	\$9,851 2,816
Alabama Gt. Southern	July to June	402,000	-	11,000	-	109,000	-	23,000
Ala. New Or. Tex. & Pac. : Ala. & Vicksburg ...	Aug. to Aug.	128,000	-	11,000	-	23,000	+	6,000
2 mos.	to Aug.	252,000	-	21,000	-	39,000	+	9,000
New Orleans & N.E. a	Aug. to Aug.	294,000	-	24,000	-	73,000	+	36,000
2 mos.	to Aug.	687,000	-	64,000	-	142,000	+	40,000
Vicks. Shreve. & Pac. a	Aug. to Aug.	119,000	-	17,000	-	13,000	+	2,000
2 mos.	to Aug.	240,000	-	31,000	-	27,000	+	6,000
Atchison, Top. & S. Fe. a	July to June	10,422,000	+	813,000	+	3,349,000	+	478,000
12 mos.	to June	117,665,000	+	6,555,000	+	8,051,000	+	8,937,000
Atlantic Coast Line... a	July to June	2,177,000	-	381,000	-	235,000	+	78,000
12 mos.	to June	31,536,000	+	8,370,000	+	7,038,000	+	2,012,000
Baltimore & Ohio..... b	Aug. to Aug.	9,385,000	+	648,000	+	3,395,000	+	627,000
2 mos.	to Aug.	18,056,000	+	1,172,000	+	6,472,000	+	1,432,000
Canadian Northern ... b	July to June	1,208,100	-	388,200	-	285,100	+	145,400
12 mos.	to June	17,225,000	+	8,476,000	+	4,828,700	+	1,523,000
Canadian Pacific..... b	July to June	7,885,000	-	2,587,000	-	2,800,000	+	878,000
12 mos.	to June	98,865,000	+	30,950,000	+	33,575,000	+	8,851,000
Chesapeake & Ohio ... b	July to June	3,843,000	-	378,000	-	1,258,000	+	323,000
12 mos.	to June	39,463,000	+	2,004,000	+	11,908,000	+	862,000
Chicago & N. Western... a	July to June	7,190,000	-	173,000	-	1,619,000	+	296,000
12 mos.	to June	83,580,000	+	4,220,000	+	22,691,000	+	654,000
Chic. Burl. & Quincy... a	July to June	7,374,000	-	487,000	-	1,960,000	+	458,000
12 mos.	to June	91,125,000	+	2,562,000	+	26,578,000	+	132,000
Chicago Great Western a	July to June	1,129,000	+	46,000	+	194,000	+	30,000
12 mos.	to June	13,921,000	+	429,000	+	2,890,000	+	37,000
Chie. Mil. & St. Paul... a	July to June	8,219,000	+	394,000	+	2,812,000	+	428,000
12 mos.	to June	91,435,000	+	2,178,000	+	24,717,000	+	1,900,000
Chic. Rock I. & Pacific... a	July to June	5,666,000	-	369,000	-	658,000	+	352,000
12 mos.	to June	70,937,000	+	2,261,000	+	14,053,000	+	830,000
Ch. St. P. Min. & Omaha a	July to June	1,433,000	-	147,000	-	368,000	+	85,000
12 mos.	to June	18,197,000	+	373,000	+	6,074,000	+	312,000
Clev. Cin. Chic. & St. L. a	July to July	3,163,000	+	16,000	+	750,000	+	20,000
7 mos.	to July	20,206,000	+	475,000	+	3,560,000	+	2,386,000
Colorado & Southern... a	July to June	1,108,000	-	16,000	-	218,000	+	32,000
12 mos.	to June	14,090,000	+	868,000	+	3,463,000	+	625,000
Cuba Railroad .....	July to June	420,000	+	38,000	+	210,000	+	48,000
12 mos.	to June	6,207,000	+	42,000	+	2,727,000	+	257,000
Delaware & Hudson... a	July to July	2,045,000	+	48,000	+	776,000	+	106,000
7 mos.	to July	12,827,000	+	81,000	+	4,073,000	+	688,000
Denver & Rio Grande... a	July to June	2,002,000	-	1,000	-	629,000	+	92,000
12 mos.	to June	21,823,000	+	1,770,000	+	6,511,000	+	388,000
Erie Railroad..... a	July to July	6,673,000	+	254,000	+	1,959,000	+	701,000
7 mos.	to July	35,258,000	+	1,425,000	+	8,291,000	+	1,258,000
Grand Trunk Railway a	July to July	2,793,500	+	\$1,600	+	\$239,600	+	\$28,400
7 mos.	to July	4,840,550	+	425,000	+	1,251,250	+	27,200
Grand Trunk Western a	July to July	130,700	+	5,300	+	25,400	+	21,650
7 mos.	to July	845,000	+	20,550	+	45,100	+	49,950
Great Northern .....	July to June	\$5,858,000	+	\$982,000	+	\$2,366,000	+	\$530,000
12 mos.	to June	67,134,000	+	9,689,000	+	25,703,000	+	1,412,000
Hocking Valley..... b	July to June	643,000	+	92,000	+	225,000	+	117,000
12 mos.	to June	6,181,000	+	840,000	+	1,997,000	+	221,000
Illinois Central .....	July to June	4,879,000	-	517,000	-	531,000	+	175,000
12 mos.	to June	62,111,000	+	4,261,000	+	10,879,000	+	861,000
Kansas City Southern a	Aug. to Aug.	807,000	+	78,000	+	208,000	+	19,000
2 mos.	to Aug.	1,638,000	+	192,000	+	609,000	+	9,000
Lehigh Valley .....	Aug. to Aug.	3,780,000	+	9,000	+	1,090,000	+	59,000
2 mos.	to Aug.	7,514,000	+	161,000	+	2,119,000	+	65,000
Louisville & Nashville a	July to June	4,486,000	-	318,000	-	1,180,000	+	104,000
12 mos.	to June	51,607,000	+	8,301,000	+	10,029,000	+	2,264,000
Michigan Central..... a	July to July	3,050,000	+	211,000	+	886,000	+	214,000
7 mos.	to July	19,608,000	+	507,000	+	4,209,000	+	885,000
Min. St. P. (Soo) System a	July to June	2,388,000	-	97,000	-	749,000	+	20,000
12 mos.	to June	27,763,000	+	1,543,000	+	8,149,000	+	24,000
Miss. Kansas & Texas... a	July to June	2,517,000	-	199,000	-	471,000	+	158,000
12 mos.	to June	32,899,000	+	1,018,000	+	8,585,000	+	1,393,000
Missouri Pacific .....	July to June	4,763,000	-	490,000	-	947,000	+	465,000
12 mos.	to June	68,209,000	+	1,776,000	+	13,054,000	+	1,031,000
New York Central..... a	July to July	13,882,000	+	833,000	+	4,376,000	+	1,343,000
7 mos.	to July	89,415,000	+	3,324,000	+	22,707,000	+	7,976,000
N.Y.N. Haven & Hart. a	July to June	6,248,000	+	492,000	+	2,195,000	+	633,000
12 mos.	to June	65,379,000	+	2,073,000	+	18,733,000	+	4,077,000
N.Y. Ontario & Western a	July to June	982,000	-	31,000	-	382,000	+	20,000
12 mos.	to June	8,927,000	-	325,000	-	2,141,000	+	40,000
Norfolk & Western... a	July to June	4,467,000	+	718,000	+	1,688,000	+	594,000
12 mos.	to June	42,988,000	+	1,663,000	+	13,277,000	+	382,000
Northern Pacific..... a	July to June	5,350,000	-	442,000	-	1,418,000	+	228,000
12 mos.	to June	63,172,000	+	7,277,000	+	21,580,000	+	785,000
Pennsylvania System : E. of Pittsburgh .....	July to July	22,653,000	+	841,000	+	6,721,000	+	1,384,000
7 mos.	to July	135,414,000	+	3,075,000	+	26,660,000	+	2,545,000
W. of Pittsburgh..... a	July to July	10,544,000	+	291,000	+	3,076,000	+	521,000
7 mos.	to July	62,652,000	+	1,648,000	+	11,887,000	+	1,462,000
Pitts. C.O. & St. Louis a	July to July	3,390,000	-	86,000	-	801,000	+	77,000
7 mos.	to July	21,829,000	-	813,000	-	3,882,000	+	47,000
Phila. & Reading Ry.... b	July to June	4,083,000	+	261,000	+	1,436,000	+	308,000
12 mos.	to June	47,225,000	+	3,232,000	+	16,100,000	+	988,000
Phila. & R. Coal & Iron b	July to June	1,917,000	-	6,000	-	Dr. 71,000	+	20,000
12 mos.	to June	30,087,000	-	2,617,000	-	367,000	+	431,000
St. L. & San Francisco a	July to June	3,550,000	-	266,000	-	987,000	+	20,000
12 mos.	to June	42,967,000	+	1,949,000	+	11,801,000	+	1,616,000
Seaboard Air Line..... a	July to June	1,627,000	-	206,000	-	384,000	+	50,000
12 mos.	to June	21,280,000	+	4,140,000	+	5,296,000	+	1,061,000
Southern Pacific..... a	Aug. to Aug.	13,208,000	+	1,536,000	+	4,697,000	+	1,242,000
2 mos.	to Aug.	26,171,000	+	2,866,000	+	9,190,000	+	2,553,000
Southern .....	July to June	5,212,000	-	493,000	-	1,317,000	+	149,000
12 mos.	to June	62,200,000	+	8,651,000	+	13,400,000	+	8,911,000
Union Pacific .....	July to June	7,847,000	+	288,000	+	2,849,000	+	173,000
12 mos.	to June	86,958,000	+	6,167,000	+	30,180,000	+	1,446,000
Wabash .....	July to June	2,422,000	-	227,000	-	421,000	+	235,000
12 mos.	to June	29,083,000	+	1,132,000	+	4,931,000	+	412,000
Western Pacific..... a	July to June	702,000	+	141,000	+	250,000	+	156,000
12 mos.	to June	8,708,000	+	643,000	+	831,000	+	234,000



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# The Statist.

LONDON, SATURDAY, SEPTEMBER 25, 1915.

## THE BUDGET OF 1915-16.

MR. McKENNA's first Budget statement has given a feeling of relief to nearly everyone directly, or even indirectly, affected by it. After Mr. Asquith's speech on the new Vote of Credit, in which he stated that the gross expenditure of the Government was approaching £5,000,000 per day (and was therefore at the rate of about £1,800,000,000 a year), after the national "economy campaign" throughout the summer, and after the hint given by the late Chancellor of the Exchequer in his Budget statement last April, many people anticipated that large sums of money would be obtained from the public for war purposes by some system of taxation or levy in order to enforce economy and to lighten the burden of financing—indeed, to make it possible to finance the War mainly by loans from investors and bankers. And this expectation was rendered the more confident by knowledge of the vastness, not only of the nation's war expenditure, but of its domestic expenditures also, of the greatness of its imports, of the relative smallness of its exports, and of the unprecedentedly adverse trade balance, as well as by the recent severe break in the American exchange. Hence the relief experienced by persons who had expected to be compelled to make a substantial contribution to the cost of the war by means of taxation or by levy when they discovered the very moderate sum the Chancellor of the Exchequer and the Government felt it their duty to impose upon them in the current year. Mr. McKenna, in introducing his proposals, emphasised the main factors in the situation, and showed that he was fully conscious of the greatness and difficulties of the problem, and that he realised the immensity of our expenditures, both actual and in comparison with our resources, the greatness of our imports, and the unprecedented character of the nation's foreign trade balance.

After informing the House that he anticipated the revenue of the current year on the existing basis of taxation would amount to £272,000,000, and that the expenditure would reach the great sum of £1,590,000,000, and after expressing his conviction

that "the country is prepared to face this expenditure with courage and with confidence, and to meet resolutely every demand which the continuation of the War may entail," the Chancellor proceeded to describe and to diagnose the situation with great care and with great exactness. He said: "To enable us to cope with our colossal task every section of the nation must be called upon to contribute and to make great sacrifices. It is obvious that by taxation alone a small part only of the deficit could be met. On a previous occasion it was my duty to submit to the House proposals for raising a loan, and hon. gentlemen will remember how magnificently the country responded. On some future occasion I shall have to borrow again. I have now to lay before the House proposals for taxation which, however little they may do in the way of meeting the deficit, must be upon a scale never before imposed. I do so in the firm assurance that both the House and the country will be prepared to support the Government in carrying through whatever measures of taxation are deemed to be necessary, both now and in the future, for the successful prosecution of the War.

"I have given the total expenditure of this year at £1,590,000,000, and on this basis we may estimate the dead-weight debt at the close of this year at £2,200,000,000. Our accumulated wealth is great, and a National Debt even of this magnitude will by no means cripple our resources. But with regard to our expenditure there is a consideration which should be borne in mind. We must not overlook the strain which that expenditure imposes upon our resources of supply. The Expenditure of £1,590,000,000 within the year means that goods and services to that value have to be found for our own support, and for the support of those whom we are assisting. So far as goods and services can be obtained by us by loan from neutral States, or as the price of securities sold abroad, there is an immediate relief to the burden cast upon our own powers of production. But, subject to this relief, the whole of the burden to provide the balance of the goods and services falls upon the shoulders of this country. When our expenditure is reaching such gigantic proportions, and while it is still rising, I am sure that the Committee will not think it out of place for me to call attention to the real burden which it imposes upon our powers of production.

"Four and a-half months ago, in a forcible passage in his Budget speech, my predecessor described the triple task which this country has assumed in the War—to keep the command of the seas, to maintain an Army, and to assist our Allies by furnishing them with supplies, and by aiding them in financing their purchases in countries other than their own. My predecessor pointed out the interdependence of these military efforts and their mutual limitations. When he spoke he had in mind a Navy which during the current year was to cost £146,000,000, an Army which was to cost £600,000,000, and external advances to the amount of £200,000,000. We have now to contemplate a Navy costing £190,000,000, an Army costing £715,000,000, and external advances to the amount of £423,000,000. Grave as was the warning of my right hon. friend last May, his words have a far weightier significance to-day.

"I make no apology for dwelling upon our expenditure. It is a subject upon which hon. members when they are asked to vote taxation ought to have all the information which is in my possession. When my right hon. friend the Prime Minister introduced the Vote of Credit last Wednesday, he gave £3,500,000 as the current daily rate of net expenditure from that Vote. As the Committee know, we have to meet expenditure from votes other than the Vote of Credit, and we have to form an estimate of expenditure over a longer period than the Prime Minister could take into review in moving his particular motion. My survey extends to the end of the financial year, and

it includes our expenditure on all services. Taking the whole period until March 31, the best estimate which can be formed of the total daily rate of expenditure on all services from now onwards is upwards of £4,500,000, and in the later weeks of the financial year it may have risen to more than £5,000,000 a day. The Committee will realise what this rising scale of expenditure must mean in the ensuing financial year. I will complete to the Committee the details of the expenditure in the current year. In addition to the main heads to which I have already referred—the Navy, the Army, and external advances—there is a charge of £36,000,000 for pre- and post-moratorium bills, &c., arising out of certain arrangements made in the City at the outbreak of war, and £170,000,000 for our ordinary national services, excluding the Army and Navy, but including charges for Debt. Food supplies and some minor items, together with allowances for contingencies, make up the total to £1,590,000,000. A total of this kind has, of course, never before been reached; but I go further and venture to say that there is no record of a nation having voluntarily accepted liabilities bearing so high a proportion to the total national income for which provision has to be made within a single year. Such is the account I have to give to the Committee of the expenditure, past and future, during the present year."

From this exceedingly lucid and weighty statement of the problem it is abundantly evident that the Government came to its decision with regard to new taxation with full knowledge of all the factors to be taken into account.

And with this knowledge the Government has decided, to the great relief of taxpayers both actual and potential, that it was not necessary to raise more than £30,924,000 of new taxation in the current year over and above the £65,000,000 imposed by Mr. Lloyd George in November last.

That the decision to increase taxation so little in the current year should give rise to a feeling of great relief in the minds of persons who expected to be much more heavily taxed is not a matter for wonder. Certainly we ourselves anticipated that the Government would ask the country for several times this sum in the current year, either in taxation or by levy, in order that the increased war expenditure might in some measure be counterbalanced by reduced domestic expenditures, and that the nation's aggregate expenditures should not be increased beyond its power to meet them. But presumably the Chancellor of the Exchequer and the Government anticipate that voluntary economies in domestic expenditure, loans from the United States, sales of foreign securities and exports of gold will provide all the money needed to cover the great Budget deficit and to provide for the country's immense adverse trade balance. If these anticipations are realised all will be well. If they are not then fresh measures will need to be adopted. It is evident, however, that if they are to be realised, the voluntary economy campaign must be waged with renewed vigour, and that no step must be left untaken that will bring about a great reduction in the domestic expenditure of the nation. As far as the existing situation is concerned, the nation has a clean bill of health. Nearly all the goods purchased from abroad since the War began have been paid for, and if, as anticipated, the Anglo-French Commission is successful in obtaining a large loan from the United States, the country will have a substantial foreign credit with which to pay for foreign purchases for some time to come. Moreover our investors, bankers and insurance offices possess great quantities of securities they can sell in the United States and if necessary we and our Allies can export more gold than other countries can safely store or can employ without creating inflation. While this is the immediate situation, it is essential to consider how much money the nation can provide for war purposes without compelling persons who are

making little or no contribution to the nation's war funds to contribute their quota.

With the addition of £30,924,000 to taxation the total revenue of the current year is expected to reach £303,000,000, and the expenditure is placed at £1,589,000,000. There is thus an uncovered deficiency of £1,286,000,000 to be provided by loan. To this must be added a sum of £160,000,000 repaid to the Bank of England. The total deficit is thus £1,446,000,000. Of this sum £600,000,000 has been raised by the last War Loan and £160,000,000 by Treasury bills. Thus £686,000,000 remains to be raised. If we assume that £70,000,000 is borrowed by Great Britain in the United States, as reported from New York, and if we deduct the cash balance of £86,000,000 brought from last year, the balance remaining to be found is reduced to £530,000,000. In considering how much money can be borrowed from the public in the period up to the end of March one has to remember that the bulk of the taxation payable up to March 31 has to be paid by the classes who subscribe most of the money for War Loans. So far in the current fiscal year the revenue from the income and super taxes has been £15,574,000. For the whole year these taxes, including the new profits tax, are expected to yield £122,424,000, so that payers of income tax have in a little more than six months to find £106,850,000. The income of the income-tax payers is now at the rate of upwards of £1,000,000,000, and, after allowing for the payment of the income tax, the amount of money they will have in the last six months of this fiscal year for living expenses and for saving will be about £400,000,000. From this it is evident that payers of income tax will not be able to provide by loan more than about £200,000,000 of the £530,000,000 which we have shown will be needed to balance the Budget, and that the remaining £330,000,000 must be supplied by the working classes, or by bankers or by sales of securities abroad. Possibly the working classes may provide £30,000,000 by voluntary loans, leaving £300,000,000 to be found. The cash balance must, however, at all times be maintained in these days at a respectable sum. Hence the uncovered deficit after investors provide all they can reasonably be expected to provide out of their savings may be about £350,000,000. If holders of foreign securities were induced to sell another £100,000,000 of their investments and to subscribe for War Loans with the proceeds, the deficit remaining would be £250,000,000, and this amount would doubtless be supplied by bankers, either by the purchase of additional Treasury Bills or by investments in permanent securities. This year's deficit would thus be provided for.

But, unfortunately, that is not the end of the matter. Bankers cannot create wealth to lend to the Government for war purposes. In times of peace, when money is borrowed from them, bankers' loans cause wealth to be created which, when sold, enables the bankers' loans to be redeemed. But for war purposes bankers' loans cannot create wealth, for as soon as the wealth is created it is destroyed and nothing is left with which to repay the banker his loan.

Hence to borrow from bankers does not really assist the nation to pay its expenses. The process provides the Government with the machinery for purchasing the goods and services it needs, it does not provide the means of purchasing; and, in so far as the Government employs bankers' credits, either directly or indirectly, to meet its expenditures, it is merely causing the nation to incur expenditures greater than can be met out of the income of the nation.

It is true that since the War began bankers' deposits have rapidly increased, quite apart from the increase caused by Government credits, and that bankers' loans were reduced, thus giving them command of a large amount of actual wealth, but this was due to the return of a great sum of floating capital previously employed abroad. The free funds

thus placed at their disposal enabled bankers to supply the Government not with mere credits, but with actual wealth. But the return of floating capital from abroad has practically ceased, and money now supplied by bankers to the Government would consist not of real wealth, but credit, the use of which would merely mean the creation of obligations for the purchase of goods from foreign and colonial countries. In brief, the creation of bank credits to finance the balance of the deficit would merely compel the Government to borrow again in a foreign market in order to provide for the adverse balance of trade that the use of the credit would create.

The truth of this statement will be evident from the position of the foreign trade balance to-day. The Government has borrowed from investors and bankers all that it required to meet its expenditure and to give it a large balance in hand. But in consequence of bankers having supplied mere credit, unsupported by actual wealth, the country has bought from abroad many more goods than it can pay for, and a foreign loan has become necessary to take care of the purchases. Private persons have had funds at their bankers with which to pay for the goods they have bought, and the Government has had the funds at its bankers to pay for the goods it has purchased; and yet the whole nation is in debt to foreign nations on foreign trade account, and is running deeper into debt every day. Thus, if the nation were to borrow another £250,000,000 from bankers, it would merely mean that the foreign trade balance would become adverse to this extent, and that a loan of £250,000,000 would have to be raised abroad in order to provide the money needed to pay for foreign purchases, or shipments of gold and of securities would have to be made to this extent.

It was this knowledge of the effect on our foreign trade balance of bankers' loans that induced us to hope and expect that the Government would cause the nation to meet a larger part of the cost of the War which could not be met by voluntary loans from investors by means of economies in domestic expenditure, and that such economies would be secured by the imposition of taxation or by means of a levy, for which Government stock would be given.

After careful consideration, the Government have decided to tax lightly, and to invite the nation to make the necessary economies in their domestic expenditure voluntarily. It is for each one of us to see that the confidence of the Chancellor of the Exchequer and of the Government in the willingness and ability of the country to make the necessary economies by voluntary action is not misplaced. Our great war expenses can only be met in three ways:—

1. By the nation's productions (which are somewhat smaller than in normal times).
2. By the purchase of goods from abroad, which must be paid for—
  - (1) By exports.
  - (2) By the sale of securities.
  - (3) By the export of gold.
  - (4) By means of foreign credits.
3. By economies in domestic consumption.

At the present time the nation's adverse trade balance is at the rate of some £600,000,000 a year. This great sum can be covered (1) by increasing production, (2) by reducing our home consumption and thus increasing exports and reducing imports, (3) by the sale of foreign securities, the export of gold, and by foreign credits. It is evident that all these measures are necessary if we are to pay our way. The Government has decided to leave the matter to the voluntary action of the nation. It is now for the nation to justify the confidence of the Government in its powers to effect voluntary economies, and thus to provide by loan the money needed instead of by taxation.

## THE BUDGET OF 1916-17.

WE have come to the Budget of 1916-17, and the Chancellor of the Exchequer has invited us to form our own opinion. Regarding the expenditure for the remainder of the year, he said: "During the present period until March 31, the best estimate which can be formed of the total daily rate of expenditure on the various services of the Government is upwards of £4,500,000, and in the later weeks of the financial year it may have risen to more than £5,000,000 a day. The Committee will realise what this rising scale of expenditure must mean in the ensuing financial year." We would here point out that the estimated expenditure to Saturday last was £619,243,000. This is excluding the repayment of £165,000,000 to the Bank of England, and that if the Budget estimate of £1,590,000,000 is reached, the expenditure between September 18 and March 31 next will be £971,000,000, or practically at the rate of £5,000,000 a day over the whole period. It is possible, however, that some of this estimated expenditure includes money that has been already spent and for which payment is only now being made, and that this accounts for the difference in the two statements. But the essential point to remember is that the Chancellor of the Exchequer anticipates that in later weeks of the financial year the expenditure may have risen to more than £5,000,000 a day. This means that should the War continue for another twelve months the nation's expenditures in 1916-17 will amount to at least £1,825,000,000, and if the expenditures are more than £5,000,000 a day to a still greater sum. In other words, the expected expenditure of next year will be £235,000,000 greater than in the current year, and conceivably the increase may be still greater. The proposals to increase taxation apply rather to the Budget of next year than to the Budget of the current year. The new taxes imposed, while expected to yield a sum of only £30,924,000 in the current year, are expected to yield £110,072,000 in 1916-17. If this expectation is realised the estimated revenue of 1916-17 will reach £384,000,000. This will be the sum provided out of taxation, &c., to meet an expenditure of at least £1,825,000,000. Thus, in spite of the substantial addition to taxation in 1916-17, the deficiency to be made good by loans will increase from £1,284,000,000 in the current year to £1,441,000,000 next year. In considering and giving due weight to the proposals that have now been made, it is essential to note that the greater part of the new taxation will fall upon that class which is now subscribing the bulk of the War Loans.

The aggregate sum that will be realised next year from income tax, super-tax, and excess-profit tax will be £188,000,000, an increase in three years of £141,000,000, while the sum expected to be realised from Customs and Excise is £117,320,000, an increase in three years of £42,280,000. How far the payment of the extra £141,000,000 of taxation in three years, but mainly in two, by the payers of income tax will reduce the War Loans cannot be decided. It is obvious that a part of the new taxation will be paid by persons who do not subscribe to War Loans, and, to the extent that these persons are made to contribute, the sum raised will not affect future subscriptions. The reader will recollect that the subscribers to the War Loan of £570,000,000 numbered only 550,000 persons. That is to say, less than one in two persons who pay income tax subscribed for the loan. Doubtless the number was greater than this if indirect subscriptions are taken into account; but as far as direct subscriptions are concerned it is evident that a very large number of persons with incomes of over £160 a year made no subscription to the loan. As far as these persons are concerned the new taxes will bring in money that would not be obtained by loan. But it is evident that as

matters now stand, and apart from exceptional efforts, the imposition of £110,000,000 of new taxation in 1916-17 will in some measure reduce the power of the nation to raise money by loan, apart from additional economy, and with this situation the amount of money to be raised by loan is increased from £1,285,000,000 in the current year to £1,441,000,000 next year. We should perhaps state, however, that, including the repayment of £160,000,000 to the Bank of England, this year's deficit is increased from £1,285,000,000 to £1,445,000,000, which is just about the same deficit that will have to be met next year in spite of increased taxation. The estimated revenue and expenditure of 1915-16 and 1916-17, together with the actual for 1914-15, are as follows:—

	1914-15 <sup>a</sup>	1915-16	1916-17
	£	£	£
Estimated revenue ...	226,694,000	305,014,000	384,000,000
Estimated expenditure	560,474,000	1,589,706,000	1,825,000,000 <sup>b</sup>
Estimated deficit ...	333,780,000	1,284,692,000	1,441,000,000
Sum repaid to Bank of England ...	—	160,000,000	—
Total deficit ...	333,780,000	1,444,692,000	1,441,000,000
(a) Actual.		(b) Minimum.	

Thus, in spite of the substantial addition to taxation that will be made next year, and in spite of the fact that in three years taxation has been raised from £198,000,000 to £384,000,000, the deficiency to be provided by loan will still reach the enormous sum of £1,441,000,000. In considering this deficiency, and the amount of loan needed, it is essential to recollect that a large part of the sum expended upon war is merely a transfer of expenditure from domestic to military purposes and not an increase of expenditure. Probably one-half of the nation will be maintained in the current year out of the war expenditures, and the sum required to meet the expenditures of the nation for other than war purposes, direct and indirect, have probably been reduced by nearly one-half. In times of peace the income of the nation is estimated to reach about £2,400,000,000. Of this sum about £400,000,000 is devoted to capital purposes, and about £2,000,000,000 constitutes the everyday expenditures of the nation. It is probable that the expenditures of the nation for other than war purposes have now been reduced to not much more than £1,000,000,000, and that in this way two-thirds of the money needed to provide for the War in the current year has been found. But when these allowances are made it is evident that the total expenditures of the nation are largely increased, while on the other hand its productive power has somewhat diminished. As far as the available data permit an opinion to be formed we have arrived at the conclusion that there has been no substantial reduction in the nation's production of essentials in spite of the withdrawal of so many men from industry. In a great measure the labour withdrawn from industry has been replaced by other labour, both male and female, and moreover, nearly everyone is working more strenuously and for many more hours than the normal number. We doubt, indeed, if the nation's production has been reduced even by 10%. But with a somewhat smaller income the nation's aggregate expenditures have very largely increased. In calculating the amount of the nation's expenditures it is essential to take into account the money we are lending to our Allies. This money has to be found in the same way as money spent on the British Army. In the current fiscal year to March next the total national expenditure both for domestic and for war purposes will probably reach some £2,800,000,000, while the income with which to meet this expenditure may not exceed £2,200,000,000. With the additional expenditure in 1916-17, allowing for the reduction in domestic expenditure, which the imposition of £110,000,000 of new taxes will necessitate, the aggregate expenditure of the nation may reach about £2,900,000,000, while the income available to meet it will apparently be no

more than £2,200,000,000, unless, of course, production can be substantially increased. Thus the nation has to face the fact that in the current fiscal year, if it maintains its expenditure at the present rate, it will have to call in floating capital from abroad, export securities, export gold, and obtain foreign credits to the extent of about £600,000,000, and that next year it may have to find some £700,000,000 in this manner. It is essential, however, to remember that if the nation were rigorously to curtail its expenditures upon luxuries and comforts of all kinds and descriptions and to devote its attention to increasing the production of necessities, a very great improvement in the income statement might be attained. Out of a total expenditure of some £2,900,000,000 no great difficulty should be experienced in reducing expenditures at least by 10%, and thereby adjusting the adverse trade balances to the extent of nearly £300,000,000. Were this to be done, as we believe it can be done, without any diminution of efficiency, the task of finding the balance of £400,000,000 next year would not be a difficult one. A serious effort to effect economy would promote efficiency, and the increase in the productive power of the nation would enable a substantial part of the remaining £400,000,000 of uncovered expenditure to be provided. No difficulty would then be experienced in borrowing from abroad or in selling securities or in calling home capital in one way or another to cover the remaining £200,000,000 of expenditure. But whatever steps are taken to secure economies in the national expenditure, either voluntarily or by compulsion, the situation must be adjusted. If it is not adjusted by a wise and a most carefully thought-out plan it will adjust itself in its own way and in its own manner. Having regard to Mr. McKenna's careful diagnosis of the situation and to the desire of the Government to do everything that is proved to be essential to carry on this great War with success, we have no doubt that when the economic situation renders compulsory economy essential they will not hesitate to introduce and to impose the necessary measures.

The Government in increasing taxation by £96,000,000 in the current year and by £175,000,000 next year evidently consider they have met the situation. The figures are indeed large and impressive, but the nation's expenditures are so vast that it is evident that no long delay can occur before further measures are found to be necessary.

## THE GAP TO BE FILLED.

[COMMUNICATED.]

SOMETHING like a beginning has been made by the Chancellor on the task that lies before him of taxing the nation into a serious appreciation of the financial difficulties that confront it. If his proposals fall very far short of the drastic treatment that ought by this time to be administered, that is partly owing to delay in tackling the problem, for which he was not responsible, and partly to the persistent misunderstanding by the Government of the temper of the people, and of its eagerness to bear the burden of war, as long as it is equitably apportioned. If he has done little to make us save, perhaps he has done something to make us think. Finding that the estimate of expenditure has risen since Mr. Lloyd George brought in his Budget last April by 457 millions, he has imposed taxation which is expected to bring in 33 millions during the current financial year. The difference between these two figures must strike every thoughtful citizen; and still more startling is the yawning gap that divides the total estimated revenue of 305 millions from the total expected expenditure of 1,590 millions. Over 420 millions of this expenditure consists, it is true, of advances to Allies; but it is equally true that we have to find the money before

the end of the financial year, and that the Budget has not shown us how to do it. It is a Budget of half-measures. It taxes the country enough to make it feel that it is doing something, and to lull it into the terribly fallacious belief that as long as it pays the taxes demanded it will have done all that is needed. No theory could be more inopportune at the present moment, as we hope shortly to show. There is no need to dwell on the Budget's obvious sins of omission—its failure to tax several of the methods by which the public is at present muddling away its money, to its own detriment and that of the nation's financial position. Drink—in spite of an enormous increase in consumption by a population diminished by a large part of its manhood that has gone abroad—is let off scot free, and the tax-gatherer has imposed no check on the popular tendency to indulge in unnecessary travelling and immoderate theatre-going and the alleged pleasures of the picture palace. The extravagance of the rich in absorbing for themselves the services of men-servants and maid-servants, whose labour could be much better employed, can be pursued without let or hindrance; and the gentle pat administered to the motorist through the paltry increase in the motor-spirit duty can only be accounted for by the dependence of the modern politician on motor-car owners in days when elections are contested. In so far as burdens have been imposed, they seem, as far as it is at present possible to judge, to be equitably distributed on the whole. Everybody is touched, and everybody is relieved by the lightness of the touch. But is it the business of the Chancellor at this moment, in the second year of the costliest war ever waged, to produce a sense of relief in the mind of the taxpayer?

We cannot take this view of his duty. The nation needed a stern call to face a very serious position. It would have answered the financial call as readily and bravely as it has faced the call for the flower of its manhood. There is a huge gap between revenue and expenditure, and there is, likewise, a great gap in the Chancellor's speech, in which one looks in vain for a clear lead to the nation as to the only method by which the gap between income and outlay can be filled. He did, indeed, touch on the need for reduction of consumption, but chiefly as a hoped-for consequence of his increases in taxation. He had the ear of the listening nation as few statesmen have had it in our time, and with his clear, keen mind and his gift of plain and lucid exposition he might have brought it home to the simplest of the citizens that, whatever may be the amount of revenue collected by taxation, the whole cost of the War has to be met by saving, except in so far as we can pay our way in America and other countries by selling securities, raising credits, and shipping gold. There is no other way of finding the money; and there is a most dangerous and generally prevalent delusion in the mind of the public which leads it to believe that the War can be financed quite easily, because there is enormous wealth in the country and because there are plenty of rich men who can borrow from their bankers and subscribe hundreds of millions to war loans. The enormous wealth in the country cannot be shot out of guns at the Germans, and when rich men borrow from their bankers they only increase the amount of purchasing power without any increase in the stuff that has to be purchased. The only results are rising prices and adverse exchanges, a scramble between the Government and the people for the limited volume of production that both are trying to buy at once, and a diminished valuation of British credit abroad. These evils are

inevitable unless and until we effect the revolution in our spending habits that is imperatively required by the facts of our financial position. When we go without goods and services to the value of those that the Government requires, except to the extent that we can borrow or sell securities abroad, then we shall be beginning to finance the War in earnest. Until we do so we are laying up trouble that will compel us to do so. For goods and services are what are needed for ourselves and our Allies, and as we cannot increase the volume of them available with an ever-increasing number of our workers being trained for war, we must go without them. All this the Chancellor might have driven home into the minds of the nation, which was prepared to read, mark and learn every word that he told it. The economy campaign has done something, but its something is as nothing compared with what has to be done. Many people in the upper and middle classes are saving, perhaps, a little more than they did, and the thrifty members of the working classes are probably taking advantage of the present level of wages to increase their rate of saving. On the other hand, it is obvious that a very large number of people are spending more than usual because they find themselves better off owing to the War, and think that there is no reason in the world why they should not make hay while the sun shines and raise their standard of so-called comfort; this raising frequently taking the form of purchases of pianos that the owners cannot play on, and of cheap jewellery and other articles of personal and domestic vulgarity. This miserable and ill-timed extravagance is due to no lack of patriotic feeling, but merely to complete and most natural ignorance of the fact that a nation's money is the money of all the citizens, and that the nation cannot spend hundreds of millions on a war unless the citizens save them by going without comforts and luxuries that they usually consume. If we are to go on with the War and with financing our Allies (and no one doubts for a moment that we must do both these things) we are bound to cut down spending to the barest necessities that are required to keep us in health of mind and body. So far from helping us to do this, the Budget produces a general sigh of relief from all who think that they are asked to do no more than pay a very moderate amount of new taxation. It may be that the Chancellor has up his sleeve some measure, such as a forced loan, that may produce the saving that is required. If he goes on by ordinary borrowing, and the inflation that inevitably accompanies it, there are bad times ahead; and even a forced loan is liable to have the same evil consequences unless severe measures are taken to restrict the creation of credit for those who wish to avoid the duty of saving.

## OUR TRADE BALANCE.

DOUBTLESS the Budget statement of the Chancellor of the Exchequer has given unmixed satisfaction not only to British taxpayers and to others expecting to be taxed, but to producers of food and raw materials and of manufactured goods the world over, for it means, even with additional domestic economy, that the British people will probably continue to purchase goods which other nations produce with great freedom. Special satisfaction should be felt in the United States, which is supplying us with goods on a colossal scale. Normally the United States sells goods to Great Britain to the value of about £130,000,000 a year; at present the United States is selling goods to this country at the rate of not far short of £300,000,000 a year, and unless the British people become much more economical than they are at present these great pur-

chases will continue. Indeed, the amount of goods that Great Britain and her Allies will buy will be governed by the amount of goods which the United States and other countries are willing to sell to us in exchange both for goods and for securities. The reported success of the Franco-British mission to the United States seems to indicate that, as far as the United States is concerned, our purchases will be maintained. Indeed, if our purchases were confined to the United States and to our Colonies we should have little anxiety about our ability to pay for them, as these countries would doubtless be willing to take payment in securities for a portion of the goods they sell to us for which we could not obtain exchange. But at the present time we and our Allies are buying as never before from practically every country in the world, and it is evident that most of these countries will need payment either in goods or in cash. In August the net imports of this country were valued at £62,000,000, or at the rate of £746,000,000 a year. On the other hand, our exports were worth £32,000,000, or at the rate of £389,000,000 a year, and the balance of our imports over exports reached nearly £30,000,000, or at the rate of £357,000,000 a year. The calculation is as follows:—

*British Trade in August.*

	August	Twelve Months
	£	£
Imports .. ..	69,496,000	934,000,000
Re-exports .. ..	7,324,000	88,000,000
Net Imports .. ..	62,172,000	746,000,000
Exports .. ..	32,439,000	389,000,000
Balance .. ..	29,733,000	357,000,000

But beyond our imports as recorded in the Board of Trade returns the Government is purchasing from abroad large amounts of Government stores, and beyond this is remitting considerable sums of money to the troops in France, Egypt, and the Dardanelles. In the aggregate the Government is probably making foreign payment for goods and services not contained in the foreign trade returns to the extent of £20,000,000 a month, or at the rate of £240,000,000 a year. But beyond these payments the Government has agreed to provide our Allies and Colonies with loans amounting to no less than £423,000,000. Thus the excess of our imports over our exports, including Government remittances and loans to the Allies and Colonies, is no less than £1,020,000,000. From this sum must be deducted the income the country receives from foreign investments, insurance, etc. Unfortunately our income from interest has appreciably declined, partly in consequence of the default which has been made on a number of our foreign investments, more particularly in Mexico and Brazil. On the other hand, our income from shipping has largely increased; indeed, it is estimated to have doubled. In the aggregate, therefore, we anticipate that our income from interest, shipping, etc., is at least £350,000,000, and it may even amount to £400,000,000. After deducting this income the adverse balance to be met in one way or another is at the rate of some £670,000,000 a year. Before we accept this figure, however, we would place a note of interrogation against the sum of £423,000,000 of loans to Allies and our Colonies announced by the Chancellor of the Exchequer. In the last financial year the Government did not announce in its Budget statement the amount of loans made to Allies and Colonies, and it is possible, therefore, that the sum of £423,000,000 now announced includes money advanced in the last financial year. On the assumption that the advance of last year included in the current year amounts to about £140,000,000 the adverse balance to be provided would be reduced from £670,000,000 to about £530,000,000. The rate at which the nation's income is exceeding its expenditures, and the rate, therefore, at which we must draw floating capital from abroad,

sell securities, export gold, or obtain foreign credits, is indicated by the following calculation:—

*Great Britain's Estimated Visible and Invisible Trade Balance—Twelve Months.*

	£
Balance of Imports over Exports .. ..	357,000,000
Estimated Government purchases and foreign payments to troops .. ..	240,000,000
Loans to Allies and Colonies .. ..	423,000,000
Gross balance of Imports over Exports .. ..	1,020,000,000
Deduct: Estimated Income from interest on capital invested abroad, shipping insurance, &c. .. ..	350,000,000
Adverse balance to be provided according to data available .. ..	670,000,000
Less Probable Adjustments .. ..	140,000,000
Probable Adverse Balance .. ..	530,000,000

Although such a statement is one that must be intensely pleasing to foreign countries and to the Colonies who are now supplying us with such vast quantities of goods, knowing that Great Britain is "good" for the money, yet we ourselves would very much prefer that the adverse balance should be smaller. It we continue to withdraw our capital from abroad and to borrow at the rate of some £600,000,000 a year, even if as an offset we lend some £300,000,000 a year to Allies and Colonies, we shall at the end of the War be severely handicapped by the necessity we shall then be under of redeeming our indebtedness to foreign countries before we shall be able to find new capital for expanding our productions and providing new capital for our usual clients. When one clearly realises that this debt is being created for war purposes and that the expenditure of the money will not add to the nation's productive power, one is anxious that everything possible should be done to keep down our borrowings from or our sales of securities to other countries to the lowest possible figure consistent with the attainment of the object in view. It is almost superfluous to point out at this stage of the discussion that the country can do this by finding a much larger portion of its war expenses by economies in its great expenditures on luxuries and comforts.

## THE WAR PROFITS TAX.

At the meeting of the Steel Company of Scotland held this week the Chairman, Mr. W. Lorimer, LL.D., said it was thanks to the work done for the British and Allied Governments that the very good profits shown in the accounts had been obtained. This being so, the welcome he extended to the War Profits Tax is all the more noteworthy. One might have expected some demur on behalf of a Company called upon to pay the Government 50% of the profits earned in excess of the normal, but, on the contrary, Mr. Lorimer said he heartily approved of the principle set forth in Mr. McKenna's Budget, indeed, he was not sure that the application was adequate. We give a summary of his remarks for the benefit of shareholders of companies and other individuals similarly situated as the Steel Company of Scotland:—

To my mind there is something absolutely revolting in the idea of anybody making profits out of the nation's agony, and especially so in the case of a man or a company who have had no extra labour or anxiety, but whose opportunity has come solely because of an artificial scarcity created by the Government on account of the nation's need. . . . This War, God knows, will bring untold suffering in more than one form to millions who have no war profits to collect and no war bonus to receive, and therefore I have felt in my own mind, long before this proposal was made, that in that direction the Government would be entirely justified in asking those who have made profits to assist those who are less fortunate. It may be, indeed, that before the War is ended the Government may find it necessary to take not 50 but 100% of those extra profits, and if they do I hope that none of us will complain. As I have said before, sacrifice is demanded all round, and there are hundreds of thousands of others who are making infinitely greater sacrifice than is possible to us.

## THE CRY FOR CONSCRIPTION.

A CORRESPONDENT WRITES: I wonder, are the millionaires capable of understanding the present condition of this country and the difficulties that face it in the near future? Some of them, no doubt, are perfectly honest, and think that everything else except the War must be set aside for consideration at a future date, the War alone being attended to for the present. Others, on the contrary, know well what they are doing—believe, in fact, that they are furthering their own interests and those of their class. If they have enough of knowledge to understand what is going on around them they are committing one of the gravest mistakes that has been made by any country, not excepting Germany, in rushing into this War. The Government has been careful not to let the public know how many men and women it has been obliged to take into its service in consequence of the War. But I presume that I shall not be far out if I assume that, taking the Army and the Navy together, the total numbers are not much short of  $3\frac{1}{2}$  millions, including, of course, the newly enlisted and those that Lord Kitchener tells us are required to make good wastage. I assume I shall not err very much if I assume, in addition, that all the people employed because of the War by the Government, excluding the fighting forces, but including mercantile ships in the service of the Government, fishing trawlers and the like employed in sweeping for mines, all persons, male and female, in munitions works, and all engaged in the multifarious matters which the Government has taken into its own hands, numbers about as many more. In that case the total multitude of people now serving the State, leaving out of account all the permanent employees of peace time, cannot be very much short of seven millions, and possibly may reach eight millions. Let me, however, take the smaller figure, and say that the Government just now is paying about seven millions, male and female, both in actual war service and in services subservient to the War. When peace returns there will be as quickly as possible a disbandment of Kitchener's Army, a reduction in the Regular Army, and a cessation of work upon munitions. In other words, this vast multitude of seven millions will, to a very great extent, be discharged from their present employments. It is possible, of course, that the terms of the peace will render it necessary that we may have to garrison certain positions for some years. It is likewise possible that other questions may arise which may render it advisable to keep up a very large Navy and to employ on munitions a much larger staff than ever hitherto. Still, if we allow a million, or thereabouts, for all these purposes, we have the prospect of about six millions of people being deprived of their present employment.

It is quite true that large numbers have been promised by their employers in peace time that the positions they filled when enlisting would be kept open for them. But it is to be recollected, firstly, that the trade of the country has suffered seriously because of the War, and that many employers may not when peace returns be in a position to carry on business. Still more necessary is it to bear in mind that the young men who for years will have been engaged in all the excitement of war will imbibe a distaste for sedentary work of every kind. Some of these, no doubt, will emigrate to the Dominions. But it is to be recollected that the capability of any country to receive immigrants is restricted. Any man, of course, who has a little capital will, no doubt, be welcomed by the Dominions and will be able to settle down upon his own land. But the great majority of the young men who will be disbanded will not have capital; and, therefore, the Dominions can receive of them only so many as the Dominions can employ and pay. The War will have ruined the two

Central European Empires and will have greatly impoverished the Entente Powers and their Allies. Therefore business will be exceedingly depressed. There will be little inclination, either in the Dominions or anywhere else, to enter into new expenditure. On the contrary, people will wonder whether the burden of debt and taxation can be borne. Under these circumstances, which I do not wish to paint too darkly, is it not advisable that all classes in this country should walk warily? I have not the slightest doubt that we shall win the War, and that some portion at least of our vast expenditure will be got back. Neither have I the slightest doubt regarding the patriotism of the whole body of the people. But remember that the great majority are strongly opposed to conscription. The Trades Union Congress the other day, representing three millions of the very flower of the working classes, pledged itself to oppose conscription by every means in its power. Does anybody seriously doubt that the non-unionists share to the full the dislike of the unionists to conscription? In addition to this, the whole Irish Nationalist party is pledged to oppose conscription by every means in its power. Lastly, it is matter of public notoriety that the Democratic wing of the Liberal party is strongly opposed to the measure. Considering the difficulties we shall have to pull through when the War ends, is it not rash in the extremest degree to raise an agitation which is certain to set the country by the ears, which probably will bring about the fall of the present Government, and which may very likely force on a dissolution? If we are sensible of the magnitude of the task we have undertaken, and are as loyal as we profess to be, we shall let all such thorny questions sleep, and we shall stand shoulder to shoulder, firstly, to beat down the arrogant enemy that attacked us without provocation; and, secondly, to provide for all the very difficult and even dangerous questions that must arise when the War comes to an end.

## RUSSIA.

A TELEGRAM from Tokio some few days ago stated that a syndicate of Japanese bankers, headed by the Yokohama Specie Bank, had been formed to make a loan to Russia to enable the latter country to purchase a very large quantity of munitions in Japan. As the telegram has not been contradicted we presume it is true. And we heartily congratulate both the Yokohama Specie Bank and the Russian Government on the conclusion of the arrangement. So far as Japan is concerned it will be a very profitable business. Japan, as our readers are aware, has sold to Russia a very large quantity of munitions of all kinds since hostilities began. But, as our readers are also aware, Russia is still quite insufficiently provided with munitions. Therefore, it is desirable that she should be enabled by a loan to obtain the munitions she requires. Thus both Russia and Japan will be benefited by the new contract. Furthermore, Japan will enter upon an entirely new career. It is not quite three-quarters of a century since Japan opened her ports to the rest of the world. For centuries previously she had shut out all foreigners. In the short space of time since she has made wonderful progress in many directions. She has built up a great Empire. She has shown herself capable of fighting one of the greatest of the world Powers. And she has created a very great trade. Now she is entering the International Money market. Hitherto she has had to borrow abroad. For the first time now she is lending, and lending, moreover, to one of the very greatest of the Powers. It is a remarkable testimony to the extraordinary progress Japan has made in so short a time, to the intelligence of her people, and to the extraordinary quickness with which they seize every favourable opportunity offered them. In addition to this, Japan has proved herself a good friend to Russia during this War. She has, as already said, supplied a very large amount of munitions. And

she is preparing to supply much more. Therefore, we may hope to see a very cordial feeling spring up between Japan and Russia, and thus another safeguard created for the preservation of peace when the present War is brought to a termination.

The benefit to Russia of this proceeding can hardly be exaggerated. Russia, as we have often pointed out in this Journal, was engaged in reforming her army, and, therefore, cannot justly be blamed for not having been prepared for the emergency forced upon her. Unfortunately, the alliance of the Turks with the two Central European Powers made it possible for Turkey to keep the Dardanelles closed—practically, therefore, to cut off communication between Russia and the rest of Europe. It is not, of course, entirely cut off, for besides Vladivostok there are other means of communication. But they are costly, they take much time, and, therefore, they are wasteful. Russia is thus hampered greatly in supplying herself with everything she needs. And, to make matters worse, she has been prevented from exporting the surplus of her crops last year and this year. She is short, therefore, in funds as well as in munitions, mainly because of the closing of the Dardanelles. It is of great importance to her, therefore, that she should be able to get as much munitions from Japan as the latter is in a position to supply. Meantime, Russia is providing herself largely from the United States; and the supplies, of course, from there are likewise being sent mainly through Vladivostok. In the last place, this country is supplying large quantities to Russia. It has not yet accumulated a sufficient supply for itself; but it is forwarding a portion of what it has all the same to its ally. Gradually, therefore, the needs of Russia are being supplied, and we may reasonably hope that before long she will be in a position to meet her enemy at least upon equal terms. We are now within less than a week of October. Therefore, the weather henceforward will be getting colder and colder; and in a short time the winter will be so severe that it will be impossible for the Germans and the Austrians to continue active operations. Consequently, very soon the weather will impose inactivity. But the Russians in their own country will be able to do many things which the invader cannot do; and, therefore, we may rest confident that immense reinforcements will be forwarded to the Russian armies, and that when the spring comes Russia will be not only well provided with munitions, but will have so completed her preparations that she will be far superior in every respect to her enemies. It is to be recollected that the Russian people are now fighting in their own country. From one point of view, of course, that is a great advantage. From another it is a very sore trial, for no Russian probably was prepared to find that the enemy was powerful enough to invade Russian soil and Russian cities. But the trial is only calling out the fortitude and determination of the Russian people. They are, according to all observers, showing to-day the same fortitude which their great-grandfathers showed when Napoleon advanced upon Moscow. We do not doubt that they will make the parallel complete by destroying the army that has invaded Russia.

Meanwhile, the world is watching the operations before Constantinople. It is announced that Bulgaria has concluded an arrangement with Turkey by which she binds herself to maintain neutrality, and, in consequence, is calling out her reserves. To enter into an arrangement with Turkey to maintain neutrality is, in point of fact, an act of hostility against Russia; for Bulgaria borders upon Constantinople, and if Bulgaria is prepared to fight everyone who attempts to cross her territory for the purpose of opening the Dardanelles, she practically declares war against Russia. The Dardanelles may be forced without Bulgarian assistance. But we have to recollect how many months have passed since the first attempt was made to force the Dardanelles and how far, so far as the

public knows, we still are from achieving our object. Therefore, it remains to be seen how Russia will view this decision of the Bulgarian Government. It is quite clear that Bulgaria itself is divided on this question. The leaders of the Opposition the other day waited upon the King to protest against any act hostile to Russia, and it is believed that the Opposition has a majority in the Chamber. Anyhow, there is a very powerful party friendly to Russia and indisposed towards the Central European Powers as well as towards Turkey. Therefore, one would think that it would not be difficult for Russia to prevent the Bulgarian Government from carrying out a policy which, beyond all question, is inimical to Russia. Russia, at the cost of much money and much life, freed Bulgaria, and this is the reward she gets. The feeling in Russia, therefore, must be very bitter, and we shall all watch with the gravest interest what will be the effect of Bulgarian action both upon Russia and upon the Balkan States generally.

### **COST OF THE WAR TO FRANCE.**

ON Friday of last week M. Ribot, the French Finance Minister, introduced a vote of credit in the Chamber to supply the Government with the means of covering the expenses of the War during the last quarter of the calendar year. It will be recollected that in France the financial year coincides with the calendar year. This is the fourth vote of credit that the French Government has asked for for the year 1915, and, therefore, it enables us to tell what the total expenditure of France is so far, or at all events what that expenditure is now estimated at, as nearly as the experienced officials of the French Treasury can judge. M. Ribot tells us that the total credits opened since the beginning of the War amount to more than 1,120 millions sterling, and that it will be raised to 1,200 millions sterling if we add the credits voted for the last five months of 1914.

M. Ribot adduced statistics showing that, as in our own case, the expenditure of France has been steadily rising from the very beginning of the War. They were comparatively low for the last five months of 1914. In each quarter of the current year they have risen steadily, and the French Finance Minister does not doubt that they will go on increasing as the War continues. This, of course, was to be foreseen, inasmuch as France unaccountably had allowed her preparations to fall very much into arrears; and even when hostilities began did not realise the magnitude of the task that lay before her. Consequently, a steady advance in the cost is what might have been anticipated. It is necessary to bear in mind in comparing the experience of France with our own that France adopted long ago universal liability to military service; and, therefore, that the pay she gives to her soldiers is very much smaller than that given by us; and, furthermore, that for a long time she had trained nearly all her men of fighting age for three years with the Colours. She reduced the term with the Colours to two years. But a little while before the War she raised it again to three years. So that to begin with France pays all her soldiers much smaller salaries than we do; and, secondly, before hostilities began she had expended in preparation for war immensely larger sums than we had. If we could get together an accurate statement of the entire expenditure of France year by year in the preparation for war it would probably be found that it was immensely larger than the figures just given would indicate. We, on our part, had to call out three millions of men on a sudden to meet the unprovoked and criminal assailant. France knew ever since 1870 that she was liable to be attacked by her neighbour at any moment; and, consequently, her expenditure both upon her army and upon her fortifications has been enormous. However, as it would be a Herculean task to undertake to set out any accurate statement of the military and

naval expenditure of our Ally, we content ourselves with reminding the reader that the conditions of service are entirely different in the two countries, and that, consequently, it is not fair to either Government to compare matters so essentially dissimilar.

Up to now France has provided herself with funds to cover her expenditure by means of short loans. To the present she has not followed the example either of England or of Germany. In the beginning she borrowed money largely from the Bank of France. More recently she has drawn but moderately upon the Bank of France, while she has provided herself with the funds necessary by raising short-term Bonds for the National Defence it is now felt pretty generally that the time is coming rapidly when it will be expedient to adopt the system which has been followed both by England and by Germany. There is this much to be said in explanation of the postponement of a regular war loan by France, namely, that a very large portion of her territory—and that the very richest and most industrial—is still in the occupation of the enemy. It would make a great war loan much easier and much more satisfactory if the whole territory of France were free. Indeed, it is quite clear that where the enemy is in occupation he will not allow subscriptions to a war loan.

It is consequently easy to understand the unwillingness that has been experienced in France to raise a war loan. But it seems as if the conviction were growing that it cannot be postponed much longer. Besides, the French people, without distinction of class or creed, may be counted upon confidently to subscribe whatever money the country needs to maintain its independence and to free the invaded provinces from the hated enemy.

There is already a discussion going on as to whether the war loan should be for a term of years, or somewhat on the pattern of the English system. The Government, of course, has given no opinion on the point. Indeed, it would be improper for it to do so until it is prepared to issue the loan. So long as it was thought probable that the War would be brought to a speedy end, everybody felt that the desirable course was to put off permanent borrowing till the country was freed from the invader. Now the conviction seems to be general that the driving of the enemy out of France cannot be effected before next year, and that it is wiser, consequently, to make up one's mind as to the form of the loan. In favour of a temporary loan—that is to say a loan for a given number of years—there is put forward this very strong argument: that French Parliaments hitherto have shown themselves very unwilling to vote the monies necessary for the redemption of debt if they are asked to do so year by year. But if they issue a loan which must be paid off in a given number of years, the country enters into a contract with the subscribers to the loan that year by year a stated portion of the debt shall be paid off. On that ground large numbers of persons prefer a short loan to a permanent loan. It is objected, amongst other things, that the chance of reducing the interest on the debt is thereby thrown away. At present it is reasonable to assume that France cannot raise the money she requires at less than 5%. It is generally assumed that the coming war loan will be a 5% loan. If it is for a definite number of years the country pledges itself to subscribers that it will pay that 5% during the whole currency of the loan, whereas if it acts as our own Government did the other day, and brings out a loan payable at a certain date, it can take advantage of its improving credit to reduce the interest upon that loan. It would seem that the balance of opinion is in favour of a permanent loan, as the belief is universal that the credit of France will rapidly revive when peace returns, and that, therefore, the interest on the debt can be materially reduced after some years. It seems worth while

to bring all these facts before our readers, though, of course, it will be clearly understood that nothing is definitely settled yet, neither as to the amount of the loan nor as to its form.

## INDIA IN THE EMPIRE.

IN the Indian Legislative Council at Simla, on Wednesday, the Viceroy accepted the resolution urging that India in future should be officially represented in the Imperial Conference. He said, "I am authorised by his Majesty's Government, while preserving their full liberty of judgment and without committing them either as to principles or details, to give an undertaking that an expression of opinion from this Imperial Legislative Council in the sense of the resolution now before us will receive most careful consideration on their part as expressing the legitimate interest of the Legislative Council in an Imperial question, although the ultimate decision of his Majesty's Government must necessarily depend largely on the attitude of the other members of the Conference. This is, I venture to think, all we can reasonably expect at present, and such a pledge is eminently satisfactory as showing due consideration for India's claims." We congratulate the Indian and the Home Governments on the statesmanlike decision which they have just taken. India is a highly important member of an Empire stretching over the whole globe. In the present War she is giving the clearest evidence that she is proud of her position, and that she is prepared to spend life and money in defence of the honour and the interests of the Empire. It is, therefore, clearly due to her that she should be represented in all future meetings of the Imperial Conference. At those Conferences matters of the highest moment to every part of the Empire, and, therefore, to India, are decided. And it is reasonable and right on the part of the Indian people that they should demand loyally to take part in the discussions so that the highest interests of India shall not be disposed of without her sanction.

## THE ARAUCO COMPANY.

AN interim dividend of 6s. per share, or at the rate of 6% per annum, is announced by the Arauco Company in respect of the current year's results. This is the same as a year ago, and is satisfactory as indicating that the Company is maintaining profits despite a somewhat heavy falling-off in railway receipts. The decline for the six months amounted to £10,874, or 22.3%. Apparently the management have been able to effect considerable economies in working expenses, as the net results from the railway for the period come out rather better than in the corresponding half of 1914. Moreover, the coal business is probably doing well, although to some extent handicapped by the shortage of steamers, and if, as the Chairman intimated at the last annual meeting, the profits from coal come out anything like equal to those of last year a satisfactory dividend will doubtless be forthcoming. Whether or not the Company will be able to again pay a balance dividend of 4%, making 7% for the year, remains to be seen. The net profit for 1914 amounted to £21,792, and in order to pay the dividend of 7% the balance carried forward had to be reduced by over £11,000. In other words, for 7% to be earned in the current year an increase in profits of £11,000 must be obtained. The Company may, of course, do very much better in the current half-year, and if the coal business continues brisk a satisfactory showing will be made six months hence. The price of the £10 shares is about 7, and the yield from the existing rate of dividend is as much as £10 9s. per cent.

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## Financial Notes.

In a letter early this week to a morning contemporary, Lord Cromer, while recommending that the Chancellor of the Exchequer should abolish the super-tax and make up for that by establishing a scientific graduated income tax, observed that the older economists—by which he meant the so-called orthodox economists—were opposed to his proposal. The observation is a curious illustration of the influence exercised over the generation to which Lord Cromer belongs by the orthodox economists. Now whatever reputation they have rests almost entirely upon the help they rendered in preparing the way for the repeal of the Corn Laws. In most other things they are recognised by real economic thinkers to have been quite unfit for the work they undertook.

Lord Cromer's letter reminds us that there is, even amongst the well-informed, much difference of opinion respecting the rules by which taxation proposals ought to be judged. We would say that in reality there is no difficulty respecting the subject except such as is artificially created by classes which are fighting for their own private interests. There are two great principles which enable anyone who will think the matter out calmly to determine infallibly whether a taxation proposal is good or bad. The first of these is that a taxation proposal must improve the efficiency of a people to be good, or, at all events, must not in any way reduce their efficiency.

This War teaches us as clearly and as indisputably as is possible that the real wealth of a country is its people. An efficient people will always be a powerful, a prosperous, and a successful people. An inefficient people, except some extraordinary accident helps them, will fail. We have at the present moment a Fleet which has swept the seas clean of the German marine. We have access, therefore, to every market upon the globe outside the three enemy countries, and we can at pleasure obtain everything we want, even from the ends of the earth. Yet Mr. Lloyd George is continually crying out that he cannot supply the Army and Navy with sufficient munitions for want of men. The raw material is there in abundance; can be multiplied to any extent you like; but the munitions are wanting because sufficient skilled workers are not to be found. The lesson is decisive, and it affords a clear rule which enables anybody to judge whether a taxation proposal is good, bad, or indifferent.

The second great principle is very largely a corollary from the first. It is that taxation should be so adapted as to bear equally on all subject to it. In other words, the burden of taxation ought to be in proportion to the ability of the taxpayer to pay the tax. Equality of taxation is often asserted to be established if the tax is equal for rich and poor. But that is clearly a misrepresentation. A shilling per

pound tax upon tea is a mere trifle to a rich person. But to a poor person having to bring up a family of children it is a heavy burden—to such a person, for example, as earns only let us say 12s. or 15s. a week. If the earnings are smaller the burden becomes still heavier. In the same way an income tax of 6s. in the pound may leave one payer an exceedingly rich man, and may reduce another to embarrassment. The tax, then, ought to be in proportion to the income of the payer.

There are no means of ascertaining what induced the Chancellor of the Exchequer and the Cabinet to raise the duty upon tea to 1s. per pound, while raising the duty upon cocoa to only 1½d. per pound. We suppose it was assumed that tea would yield a larger revenue, and could be more easily collected. But it would be very interesting to learn whether it occurred to any Minister, Chancellor of the Exchequer or otherwise, to ask what would be the probable influence of these two rates of taxation upon the habits of the people; and, therefore, upon their efficiency. In this country, owing to our bad land laws, milk has become a luxury which the poor cannot obtain in any large quantities. Consequently, tea enters into the dietary of the poor to a very large extent. Will the comparatively high tax upon tea induce the poor to abandon tea to a great extent and to consume cocoa on a much larger scale; and if so, what will be the effect upon the health of the people?

We of this country are a curiously stupid people and curiously unwilling to make a change of any kind. We seem to have an ingrained impression that whatever is right. Accordingly even at such time as the present it has not occurred to any Minister, much less to the whole Government, that in preparing the Budget it would be advisable to consult the greatest living medical authorities upon dietary. Everybody knows that diet has an immeasurable influence upon health. But nobody knows, or at all events nobody but experts know, which foods are the best and in what proportion they ought to be taken. No doubt the Chancellor of the Exchequer took advice from an immense number of persons supposed to be experts in finance. But we venture to hazard the statement that it never occurred to him to ask a great doctor how a change from tea to cocoa would affect the public health. Would it benefit or the reverse? Yet one would suppose that a man in charge of the greatest department in the Government, the department which affects almost every act of every life in the country, would think, occasionally, at all events, that it would be worth while to know what was the opinion of the leading medical authorities in dietary.

In any case, it will be worth the while of readers of THE STATIST to watch carefully what will be the effect of the new Budget upon the food of the poor, and especially of the very poor. Coffee is little drunk

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in this country compared with what it is upon the Continent and in the United States. Will coffee be favoured by the comparatively low tax upon it? Cocoa, we believe, is much more drunk now than it used to be a few years ago by the poor. As temperance increases less beer and spirits are consumed, and yet drink of some kind is required. Therefore, we believe we are right in saying that cocoa is coming into use to a very considerable extent, especially at night. Will the lowness of the tax upon cocoa attract the public so much that tea will suffer, and possibly coffee as well as cocoa may benefit? If so, there will be a change not only in the habits of the British people, but in the trade of the country. The tea growing industry will suffer, while the growers of coffee and cocoa will benefit.

With the *Manchester Guardian* of September 21 there has been issued a special illustrated supplement dealing with China, more especially from the industrial and financial standpoint. The educative effect of the Russo-Japanese war led to a general understanding in this country of the enormous change that has occurred in respect of Japan, but a very indifferent knowledge exists as to the great changes that are going on in China. A mere inspection of the photographs of the various Chinese Government Ministers startlingly brings home the influence on China of Western ideas. All who are interested in Chinese affairs will thoroughly appreciate this supplement of our contemporary.

### INCOME TAX ON DIVIDENDS.

THE following valuable information has been made public by Messrs. Frederic C. Mathieson and Sons, of Copthall Avenue, E.C. :—

"The alteration of the rate to 3s. 6d. in the £, apparently as from October 6, will have the effect of increasing the deductions which may be made from amounts for financial years which end after September 30 by companies which pay their dividends less tax; the practice of reckoning the income tax by months is becoming more general, so that for the year ending December 31, 1915, the rate would be for three months at 1s. 8d., six months at 2s. 6d., and three months at 3s. 6d., equal to 2s. 6½d. in the £ for the whole year. For the half-year ending December 30, 1915, and for the year ending March 31, 1916, the rate would be 3s. in the £.

In the case of:

(a) Dividends and interest from the Public Funds payable on or after October 6, 1915,

(b) Dividends and interest of Foreign or Colonial Government securities or of Foreign or Colonial companies, *entrusted to an agent in this country for payment here on or after October 6, 1915*, also the like dividends or interest which, although not entrusted to an agent in this country for payment, are *realised in the United Kingdom on or after that date* through bankers, coupon dealers, or other persons,

(c) Interest and annuities paid by municipal corporations or other local authorities to creditors on rates and not paid, or not wholly paid, out of profits and gains brought into charge to income tax,

(d) Other interest and annuities not paid, or not wholly paid, out of profits and gains brought into charge to income tax, the rate of deduction will be 3s. 6d. in the £ from October 6, 1915.

The alteration now, as it will apply from the half-year date, is different to that of the Finance Act, 1914 (Session 2), last November, which being retrospective seemed to tend to more confusion."

CANADIAN BANK OF COMMERCE.—Alexander Laird has resigned as general manager owing to prolonged ill-health. John Aird, assistant general manager, has been appointed general manager, and H. V. F. Jones, manager of the London, England, branch, has been appointed assistant general manager.



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## American Topics.

### NEW YORK CENTRAL RAILROAD.

RECENT monthly revenue statements of the New York Central Railroad have been of a most favourable character, and the profit-earning power of the Company is displaying distinct signs of improvement. From April to July inclusive considerable advances occurred in gross earnings, and inasmuch as these higher receipts were accompanied by reduced operating expenses, substantial gains were secured in net receipts. In some measure, of course, the growth of earnings arises from benefit being derived from the higher freight rates conceded some months ago by the Interstate Commerce Commission, but by far the greater portion of the expansion is attributable to the larger amount of traffic handled. Not only have grain shipments been on an increased scale, but the greater activities of the manufacturing industries have brought a considerable amount of additional business to the road. For the seven months to July gross earnings increased \$3,360,000, or 3.7%. Operating expenses, on the other hand, were reduced almost \$6,000,000, and after allowing for somewhat higher taxes there was the satisfactory expansion of \$8,866,000, or 54%, in the net receipts. So far as expenses are concerned, outlays upon maintenance were lighter, the ratio of such cost to gross receipts having been 28.8 %, against 32.9% for the first seven months of 1914. This reduction in maintenance expenses by no means signifies that the condition of the road and equipment is being allowed to deteriorate, but rather that outlays for these purposes are on a somewhat less liberal scale than formerly. There is the fact, too, that real savings were effected in maintenance of way on account of the better climatic conditions that prevailed in the early months of the year. Probably the most satisfactory feature of the results to July lies in the reduced cost of conducting transportation; for notwithstanding the expansion in traffic, as indicated by the higher gross receipts, conducting transportation costs were \$1,779,000 lower, and the ratio to gross receipts was brought down three points to 35.1%. Doubtless this power of economy has resulted from the practical completion of the important betterment programme that has been under way for some time past, and from the consolidation of the former New York Central and the Lake Shore Companies. Further, it may be attributable to the set-back in trade last year having rendered labour more efficient. One of the arguments put forward in favour of the consolidation was that considerable economy would become possible in the general expenses account, and that this statement was well founded is evident from the saving of \$1,473,000, or 23%, in general and miscellaneous expenses, the ratio of which to gross receipts has been reduced from 6.6%

to 5%. How the results for the first seven months of 1915 and 1914 compare will be evident from the appended statement:—

*Receipts and Expenses of New York Central Railroad, Seven Months to July.*

	1915		1914		Inc. or Dec.
	\$	% of Gross	\$	% of Gross	\$
Gross receipts ...	99,071,000	—	95,711,000	—	+3,360,000
Oper. expenses:					
Maint. of Way ...	9,813,000	9.9	11,826,000	12.4	-2,013,000
Maint. of Equip. ...	18,812,000	18.9	19,571,000	20.5	-732,000
Cond. Trans. ...	34,729,000	35.1	36,568,000	38.1	-1,779,000
Gen. & Misc. Exp. ...	4,899,000	5.0	6,372,000	6.6	-1,473,000
Total Exp. ...	68,283,000	68.7	74,280,000	77.6	-5,997,000
Net Earnings ...	30,788,000	31.1	21,431,000	22.4	+9,357,000
Taxes ...	5,612,000	5.7	5,121,000	5.3	+491,000
Net after taxes ...	25,176,000	25.4	16,310,000	17.1	+8,866,000

With results such as these the condition of the profit statement for 1915 will be vastly different from that for 1914, when, owing to an unprecedented combination of adverse circumstances, and the fact that large interest and other charges had to be borne upon capital not fully productive, the profit available for dividend was the lowest for many years. Indeed, for last year the net profit amounted to only \$9,813,000, a sum equal to 4.35% on the stock then ranking for dividend. The distribution was, however, maintained at 5%, which has been in force since 1911, the directors foreseeing that the worst had passed and that any change in the future would be for the better. The justification for this opinion of the Board is plainly evident from the results shown above. That in the last five months of this year gross earnings will continue to show very considerable recovery is not for one moment doubted, but one can scarcely hope for such improvements as have occurred in net earnings in recent months to be maintained. It is possible that for August and September the increase in net earnings may again be on a large scale, but in the last quarter of the year the expansion is likely to be more moderate, for the reason that the declines which occurred in gross receipts in the three months to December 1914 were accompanied by a drastic cutting down of expenses. Interest charges in the current year are higher than for 1914 by reason of outstanding 6% Convertible bonds having replaced maturing Notes which bore a lower rate of interest. However, to some extent the increase in charges will be offset by the receipt of additional miscellaneous income, and on the basis of the miscellaneous income and interest charges for the first half of 1915 it would appear probable that the net addition to the year's charges will be \$2,868,000. Thus, without taking cognisance of better net earnings being forthcoming in the last five months of the year, that is to say on the assumption that net earnings for the period are the same as for the last five months of 1914, the net profit for 1915 will be about \$6,000,000 higher than for 1914, and will raise the total to \$15,811,000. Upon the larger amount of stock now outstanding this sum is equal to a dividend of 6.34%, and after allowing for the full 5% dividend there is a margin of \$3,336,000. The 5% dividend for the year is thus assured, and in view of the outlook for trade generally in the United States, especially in the territory served by the New York Central system, and the probability that as the traffic expands the power to economise will grow greater, it would not be surprising to find at the end of the year that profits equal at least to 7% upon the stock will have been earned. Our estimate of the results for 1915 on the basis of the returns to the end of July is appended:—

*Estimated Present Profits of New York Central RR.*

	1915*	1914	Inc. or Dec.
Gross receipts ...	107,025,000	101,205,000	+5,820,000†
Oper. expenses and taxes ...	12,802,000	13,708,000	-906,000†
Net receipts ...	42,823,000	33,957,000	+8,866,000†
Int. charges, bus. inc. ...	27,012,000	24,144,000	+2,868,000
Net profit ...	15,811,000	9,813,000	+5,998,000
% on stock ...	6.34%	4.35%	+1.99%
Dividend 5% ...	12,475,000	11,243,000	+1,232,000
Surplus ...	3,336,000	Dr. 1,430,000	+4,766,000

(\*) Estimated. (†) Change 7 mos. to July 1915, compared with 1914.

The improvement in the profits has been attended by appreciation in the quotations for the 6% Convertible bonds and of the Common stock. The price of the former in New York is 104½ and the yield afforded is 5¼%. The Common is quoted in London at about par, at which the return is 5¾%, allowing for exchange and accrued dividend.

## GREAT NORTHERN IRON ORE PROPERTIES.

An appreciable advance has occurred this week in the price of Great Northern Ore certificates, which has touched the highest level since 1912. The reason for the rise is not far to seek, being due to the benefits the Ore Properties are deriving from the tremendous activity prevailing in the iron and steel industries in the United States by reason of the great demands arising from the War. For the three calendar years to December 1914 certificate-holders have received dividends of 50 cents per annum, but it would not be surprising if for this year a somewhat higher rate of distribution is forthcoming. The Ore certificates, of which 1,500,000 are outstanding, were issued as a bonus to Great Northern Railway stockholders in December 1906, and concurrently with this action on the part of the board, the Ore lands were transferred to trustees for the benefit of the certificate-holders. The Trust, in whose income the certificate-holders participate, holds stocks in certain companies which control by ownership or lease valuable iron lands in the Mesabi district in Minnesota, estimated to contain over 300,000,000 tons of iron ore. For several years an arrangement existed with the Great Western Mining Company, a subsidiary of the United States Steel Corporation, under which lease the Great Western Company agreed to mine and ship certain quantities of ore, but in order to comply with a request of the Courts this agreement was terminated at the end of December last. Inasmuch as the major portion of the income of the Ore Properties had arisen from the arrangement with the Steel Corporation, a good deal of uncertainty was felt towards the latter part of the lease as to the future prosperity of the Trust. It was, however, realised that during the period of the lease the properties had been considerably developed at the expense of the lessee, and the expectation existed that sooner or later the trustees would enter into fresh arrangements for the disposal of the iron ore. Just at the time the lease terminated the steel industry of the United States was passing through a period of severe depression, the various steel mills of the country then operating at only about 35% of capacity, and with orders in hand and anticipated of only small proportions the year 1915 did not hold out much prospect of activity. It is little wonder, therefore, that the year opened with the price of the Ore certificates at only 25½. We ought perhaps to mention that in the report for 1914 the trustees announced that arrangements had been entered into with certain undertakings for the lease of various sections of the property, but anything like an immediate rapid growth in the demand for the Properties' ore was not looked for. Since the beginning of 1915 a great change has, however, come over the iron and steel industry, and month by month the situation has so improved that at present not only is the demand for iron ore of immense proportions, but the steel mills are operating almost at full capacity, and are so busily engaged upon work in hand that in many instances guarantee of delivery cannot be given in the case of orders now being received. Naturally this great demand for iron ore has been accompanied by an appreciable rise in prices, so that the Great Northern Ore Properties are by no means suffering

disadvantage from the termination of the lease with the Steel Corporation; indeed, on the other hand, they are deriving the double benefit of an unprecedented demand and high prices. It is usual for the directors to announce the dividend during November, and in view of the existing boom in the demand for iron ore more than usual interest attaches to the declaration which will be made two months hence. From inception until December 1914 the income of the trustees was \$14,162,000, of which \$592,000 was expended in salaries, &c., and \$9,750,000 was distributed in dividends. There was thus an undivided surplus of \$3,820,000, equal to about \$2½ per certificate. Taking agents' and trustees' accounts together the surplus funds in hand at the close of 1914 amounted to \$8,576,000. The present price of the certificates in New York is about 47½.

\*\*\* We hold over until next week an article on "The Wealth of the United States."

## URUGUAYAN RAILWAYS.

### NORTH-WESTERN OF URUGUAY.

AFTER a prolonged period of traffic decreases the earnings of the North-Western of Uruguay Railway are showing improvement. The increases are, it is true, not large, having regard to the previous decline; nevertheless a gain of \$8,941 for the first two months of the current year, although comparing with a heavier decrease a year ago, is satisfactory as indicating that the corner has been turned, and that the worst that can happen to the Company has now apparently been experienced. Like the other Uruguayan railways, the North-Western line has been passing through a very trying period. Two years ago its gross earnings amounted to £77,700, and in the past year they totalled only about £50,500. Compared with 1913-14 the decrease is as much as £13,200, or 20%, and inasmuch as twelve months ago profit in excess of charges was only £6,635, the question arises, Has the Company in the year just concluded been able to curtail expenditure sufficiently to prevent this margin entirely disappearing? We venture to think it has. In the first place, the cost of working in 1913-14 was relatively heavy, a falling off of £14,000 in gross receipts having been accompanied by a saving of only £2,600 in working expenses. Repairs to permanent way and renewals were mainly responsible for this diminished expenditure, but in other directions, notably in ballasting, repairs to bridges and culverts, repairs to stations, buildings, &c., considerably more was spent, and doubtless a material saving in these items has been possible in the past twelve months. Then, again, locomotive and traffic expenses were higher notwithstanding the smaller traffic handled, and there is little doubt that strenuous efforts have been made to reduce train mileage and to work with greater economy in view of the further decline in receipts since experienced. If, therefore, the Company has been able to save something like 50% of the falling off in gross receipts, or, say, £6,500 in working expenses, the net revenue balance for the year would come out about £30,000, or just sufficient to cover interest and other obligations in full. It should, moreover, be borne in mind that the relatively large sum of £6,878 was brought forward from 1913-14, and this, too, will be available for making good any shortage in earning interest charges in full. The following table shows the estimated results for the past twelve months in comparison with the actual earnings and profits for the five preceding years:—

### North-Western of Uruguay Railway.

	1914-15*	1913-14	1912-13	1911-12	1910-11	1909-10
Gross earnings	50,500	63,700	77,700	71,000	70,488	65,324
Expenses	44,500	51,122	53,765	49,717	49,313	46,440
Ratio	(88.11)	(80.22)	(69.17)	(69.64)	(69.94)	(71.09)
Net earnings	6,000	12,578	23,935	21,283	21,175	18,884
Miscellaneous	—	164	—	—	—	—
Int. on pref. stock	10,000	10,497	10,723	10,723	10,724	10,723
Govt. Guarantee	14,000	14,015	9,197	9,023	11,079	11,488
Total charges	30,000	35,012	30,643	30,469	32,826	32,936
Int. on pref. stock	4,000	4,213	4,267	4,267	4,267	4,267
Miscellaneous	2,000	1,400	929	1,006	—	102
Total charges	30,000	30,669	28,195	27,832	26,887	26,404
Net profit	—	6,635	15,645	16,795	16,091	14,691
Div. on pref. stock	—	—	13,744	16,493	16,493	13,744
Rate per cent.	—	—	(9%)	(9%)	(9%)	(9%)
Balance	—	6,635	1,901	Cr. 302	Dr. 402	947
To renewals fund	—	—	2,000	—	—	1,000
Balance	—	—	Dr. 99	Cr. 302	Cr. 302	Dr. 53
Brought forward	7,000	243	343	43	145	495
Carried forward	7,000	6,878	244	345	43	445

\* Estimated.

It may take some little time for the financial and economic conditions of the country to again right themselves, but the present demand for Uruguayan produce of all descriptions, and the high prices ruling, will greatly help to bring about a better state of affairs. In the last few years the Company has devoted a good deal of attention to consolidating and strengthening its position, and when normal times again return there is little doubt that it will enjoy the fruits of its enterprise in the shape of a large increase in earnings and profits. The line, which is 113 miles in length, is a continuation of the Midland Uruguay Railway from Salto to Santa Rosa on the Brazilian frontier, and is, therefore, the centre of an important railway system linking up with the Brazilian railways on the one side and the Midland Uruguay Railway on the other. The Brazil Great Southern Railway has in recent years extended its system further northward, and a large tract of new territory is being opened up, which, with better times, is likely to create a considerable amount of additional traffic over the North-Western of Uruguay Railway. The completion of the bridge over the Cuareim River, which connects the Uruguayan and Brazilian Railway systems, is likewise expected to bring a large accession of traffic when the present abnormal conditions pass away. Southern Brazil has suffered badly from the financial depression of the last two years, but until the crisis there were signs of it becoming a great place for cattle, and it is in this traffic, as well as in timber, of which there are large tracts in the neighbourhood, that the Company hopes to obtain a considerable increase of revenue. The condition of the line, moreover, has been vastly improved in recent years, and there is no doubt that it can cope with a much larger business at little or no extra cost. All this, of course, means that the improvement which has now apparently set in will all go to the benefit of the stockholders. The capital of the Company is as follows:—

### North-Western of Uruguay Railway.

	Amount	Interest	Yield
6%, 1st preference stock	£100,000	6%	£6,000
6%, 2nd preference stock	75,000	6%	4,500
6%, 1st preference stock	50,000	—	—
5%, 2nd preference stock	100,000	—	—
Ordinary stock	100,000	—	—
Total capital	£325,000	—	—

\* No business since July 27, 1914.

### NORTH-EASTERN OF URUGUAY.

This Company announces the payment of a balance dividend in respect of the past twelve months at the rate of 7% per annum on both the Preference and Ordinary shares, making 7% for the year. The line is leased to the Central Uruguay Railway for an annual rental sufficient to pay 7% dividends in perpetuity. The capital consists of 40,000 Ordinary

shares and 40,000 Preference shares of £10 each, and the rental has always been regularly met. The prosperity of the Central Uruguay Railway, like that of the other South American railway undertakings, has received a severe check owing to the European war; but the Company is in a relatively strong position, and in a year of exceptional adversity such as the past has apparently earned a considerable surplus in excess of interest and other fixed obligations. In the estimate we made in our issue of September 4 we showed that, despite a falling off in earnings of something like £76,000 in the past year, the Company was likely to have earned a profit equal to 2% on the Ordinary stock, which means that there is a margin behind its rentals and fixed interest charges of approximately £85,000. The Company is not likely to do worse than this. Indeed, in the current year it should make a rapid recovery. Already there is an improvement in earnings to date of £22,000 on the main line alone, and of as much as £40,500 on the combined system. The great demand for the produce of the country and the high prices that are being obtained will enormously assist in bringing about a renewal of prosperity, and as time goes on a general revival of commercial activity will be experienced throughout the country. This will be quickly reflected in railway earnings, which should continue to show considerable improvement on last year's meagre results. It will be apparent, therefore, that the North-Eastern rent is well covered and that the security for the shares is a good one. The price of the £10 Ordinary shares is about 10½, and the yield is as much as £7½%. The 7% Non-cumulative Preference shares are quoted at 10½ and a yield of £6 16s. 3d. per cent. is forthcoming. Both issues are certainly attractive investments at current quotations.

### URUGUAY NORTHERN.

It is many years since the Uruguay Northern Railway Company did as badly as in the past twelve months, and it is possible that its earnings have barely covered its working expenses. However, the sum to be received from the Government under its guarantee is more than sufficient to meet interest charges in full, and there may be a small surplus to add to the relatively large balance brought forward from 1913-14. The decrease in traffic receipts was as much as £7,862, or 30%, and the total gross earnings, at £18,300, are the smallest since 1903-04. Possibly the whole of this sum has been absorbed in working expenses and nothing will be available for net revenue account. Two years ago the gross earnings were over £30,000, and the net earnings nearly £11,000, so that the set-back in the last two years has been pretty severe. To show the approximate position of the Company as at June 30 last we give the following statement, and add for comparative purposes the actual earnings and profits for the five preceding years:—

#### Uruguay Northern Railway.

	1914-15*	1913-14	1912-13	1911-12	1910-11	1909-10
Gross earnings	18,300	26,637	30,197	27,986	26,357	23,475
Expenses	18,300	21,041	19,230	20,054	19,682	17,488
Net earnings	—	5,596	10,967	7,932	6,675	5,987
Government guarantee	12,000	18,866	16,896	19,220	18,469	18,876
Net income	19,000	24,462	27,863	27,152	25,144	24,863
3½% Debenture stock	15,000	14,779	14,811	14,811	14,811	14,811
Do, additional interest	—	3,510	6,375	4,979	4,191	3,759
5% Debenture stock	2,000	2,302	2,307	2,307	2,150	1,826
Income tax	1,000	517	99	250	258	297
Total charges	18,000	21,108	22,592	22,347	21,410	20,703
Net profit	1,000	3,354	5,271	4,805	3,734	4,160
Div. on Pref. stock	Nil	Nil	4,708	4,375	3,750	4,708
Rate per cent.	—	—	(2%)	(1½%)	(1½%)	(2%)
Balance	1,000	3,354	563	430	Dr. 16	Dr. 548
Brought forward	7,000	3,981	3,418	2,732	2,530	3,078
Carried forward	8,000	7,335	3,981	3,162	2,514	2,530

\* Estimated.

The line is 73 miles in length and runs from Isla de Cabello, a station on the North-Western of Uruguay

Railway, to the town of San Eugenio, on the Brazilian frontier. It enjoys a guarantee from the Government on the same terms as the other Uruguayan railways, which amounts to between £18,000 and £19,000 a year. This is, as we have shown, just about sufficient to cover interest charges in full, and any profit derived from working the line is available for dividend on the 7% Cumulative Preferred stock. In 1912-13 stockholders received a distribution of 2%, but nothing since, and arrears amounting to £370,000 have accumulated to date, which are payable out of future profits. The development of Uruguay has been going on for some years past on an extensive scale, and but for the recent monetary stringency and the European war the prosperity of the country would have shown great expansion. The abnormal conditions now obtaining cannot, however, last for ever. Indeed, a turn in the tide appears to have already set in, and if the present demand for the produce of the country continues a marked revival of commercial activity will ensue. In this revival the Uruguay Northern Railway Company will share, and in the next few years much better results should be secured. The capital of the undertaking is as follows:—

#### Uruguay Northern Railway.

Security	Amount	Interest	Price	Yield
3½% Perp. Deb. stock	£ 449,400	3½	42½	£ s. d. 8 8 8
7% Pref. stock (Cum.)	250,000	Nil	34	—

### MIDLAND URUGUAY.

This Company's lines have been considerably extended in the last few years, but the capital involved has not yet had a chance to become remunerative. The Fray Bentos extension is only in its infancy and much may be expected as time goes on from the new traffic route which the line has established from Southern Brazil over the connecting line of the Northern and North-Western of Uruguay railways. Moreover, the Tres Arboles to Piedra Sola extension (35½ miles in length) was only opened to traffic in April 1913, so that sufficient time has not yet elapsed to test the value of this important feeder, especially having regard to the untoward happenings of the last two years. The position at the moment is, therefore, somewhat unfortunate, as much of the capital spent on new extensions is as yet quite unproductive. There is no doubt, however, that the seed has been sown for a progressive future, and as soon as Uruguayan affairs again become normal a marked increase in the prosperity of the undertaking should be shown. Distinct signs of recovery are already apparent, for in the last three months (June, July, and August) the traffic receipts of the line have advanced by over £6,000.

That the unfortunate events of the last two years have told heavily against the Company will be apparent from the following comparison of the main results of working since 1905:—

#### Midland Uruguay Railway.

Year ended June 30	Miles Open	Gross Earnings	Expenses	Ratio	Net Earnings	Government Guarantee
1915*	319	114,000	95,000	83.33	19,000	80,000
1914	319	178,342	109,200	85.11	19,142	79,884
1913	291	133,437	94,447	70.79	38,990	70,892
1912	283	116,470	87,544	75.15	28,926	79,654
1911	238	100,192	75,706	75.55	24,486	55,481
1910	197	88,660	67,479	76.16	21,181	55,481
1909	197	81,503	71,114	87.25	10,389	55,223
1908	197	72,172	67,153	93.00	5,019	55,963
1907	197	75,888	60,833	80.15	15,055	55,439
1906	197	60,533	50,304	83.14	10,229	55,481
1905	197	63,397	50,424	79.53	12,974	56,000

\* Estimated.

The heavy increase in expenses in 1913-14 was unavoidable, but there is no doubt that considerable savings have been effected in the past year. Whether or not the management have been able to reduce expenses by as much as £14,000 and thus nullify the effect of the falling off in gross receipts remains to be seen, but having regard to the drastic measures taken to effect economies, the net results for the year may be no worse than they were in 1913-14, despite

the further diminution in gross receipts. If this is so, the total net income, including the Government Guarantee, will be just about sufficient to meet interest obligations in full. To show the existing charges of the Company, and how they are provided, we give the following statement:—

*Midland Uruguay Railway.*

	1914-15*	1913-14	1912-13	1911-12	1910-11
	£	£	£	£	£
Net earnings (see above)	196,000	194,142	185,000	28,000	24,486
Government Guarantee	80,000	70,384	70,891	100,000	100,000
Total Receipts	99,000	99,126	109,881	108,580	100,000
Interest on Debenture stock	29,000	29,165	29,000	28,467	28,467
Interest on Prior Lien Debenture stock	—	7,335	—	6,640	6,640
5% Debenture stock	62,000	60,159	57,599	57,465	58,174
Do. sinking fund	—	—	1,000	13,303	12,594
Management charges	1,000	1,000	1,000	2,003	396
Total Expenditure	99,000	98,443	109,881	107,878	71,164
Net Profit	—	783	Nil	—	8,803
Provision for Depreciation Reserve	—	—	4,000	—	—
New Works, &c.	—	1,000	—	—	6,308
Balance carried forward	—	Dr. 217	Dr. 4,000	—	—
Brought forward	—	278	4,278	3,576	1,981
Carried forward	—	—	—	—	3,576

The issued capital of the Company consists of £600,000 Prior Lien Debenture stock, £1,250,000 5% Debenture stock, and £600,000 Ordinary stock. While interest charges have always been met, no dividend has been paid on the Ordinary since 1896.

*Midland Uruguay Railway.*

	Amount	Interest	Price	Yield
	£	%	£	£ s. d.
5% Prior Lien Deb. stock	600,000	5	80	6 6 6
5% Debenture stock	1,250,000	5	125	8 5 3
Ordinary stock	600,000	—	—	—
Total capital	2,450,000	—	—	—

## ASSOCIATED PORTLAND CEMENT MANUFACTURERS.

It was not until 1911 that this Combination of manufacturers of Portland cement showed that it was fast recovering from the unsatisfactory state of affairs that had marked it ever since its formation, and it was only for the year to June 30, 1913, that recovery had so far advanced that the Association was able, for the first time in its history, to pay a dividend on its Ordinary capital. Partly, of course, the improvement that was brought about was due to activity in trade, accompanied by a higher price for cement. But an equally important factor was the strengthening of the financial position by reason of an interest taken in the concern by an important financial group, which resulted in the formation of another association, including practically all the most important manufacturing concerns outside the Associated Company, in which the Associated Company took a large interest.

It is scarcely necessary to detail the various causes responsible for the unsatisfactory state of affairs experienced by the Combination ever since its formation; suffice it to say that the expected output was not secured, and a heavy fall occurred in the price of cement. To this must be added the fact that the Combination was over-capitalised. However, had the prices prevailing at the time the Combination was formed been maintained, there is no doubt that some dividend would have been forthcoming year by year for the Ordinary shares. But, unsatisfactory as the results have been for the shareholders, yet the misfortunes experienced have had at any rate one good effect, and that is, the Company has been forced to devote especial attention to bringing down the costs of manufacture. The directors of the Combination amply recognised this, and boldly met the situation, setting themselves, as far as possible, to introduce the most modern machinery and methods of manufacture

throughout the works. By reason of the inability of raising fresh capital it was not possible to carry out the policy to the extent desired, and it proved a very difficult matter to provide the necessary capital to carry out the modernisation of the works and the purchase of the most up-to-date machinery. The result of following out the policy, however, was to acquire for the British cement trade as a whole the pre-eminence of quality in the goods produced, which at the time of the formation of the Combination was wanting owing to much greater activity on the part of foreign competitors. Both in America and on the Continent the manufacture of Portland cement showed great expansion, owing to the adoption of scientific methods of manufacture, and trade was lost by British manufacturers owing to their disinclination to place their works in the most efficient condition. But, with the adoption of these modern methods by the Combination, the quality of British cement is now equal to the very best, and superior to most cement, no matter where produced. One result of the keen competition was that the productive power of the works of the Combination was in excess of the demand, and the consequence was that several works were closed.

Not only is the Associated Company a manufacturing concern at the present time, but it is also a holding Company. In addition to the investment in the British Portland Cement Company, it has taken an interest in companies formed to manufacture cement in Canada, in South Africa, and in Mexico. For the twelve months to June 1911 the profits for the first time exceeded £500,000. This was followed by a reduction for the following year, due to labour troubles and strikes of the railway and transport workers, coal workers, and workers in the Port of London, whereby the business was for a time practically suspended. But during the twelve months to June 1913, with the absence of labour troubles, and with trade generally active, the profits exceeded £600,000, and, as already stated, for the first time a dividend of 5% was distributed on the Ordinary capital. For the year to June 1914 three adverse influences affected the business. First of all, a dispute in the London building trade; second, labour disputes in other parts of the United Kingdom; and, thirdly, a fall in the export demand which affected not only the home trade but also trade done by two companies operating abroad, namely, in Mexico and British Columbia. Consequently, profits receded to £568,350. For the twelve months to June 1914, operations in all departments have been seriously affected by war conditions, so that the profit earned shows a substantial reduction on that of the previous year. For reasons directly attributable to the War the demand for cement was considerably reduced, while the manufacture was conducted under difficulties due to the same cause. The cost of production increased, and although as time went on the selling price was raised, this was in respect to new business, and did not affect the major portion of the year's trade. Similarly the acute political disturbances in Mexico affected all enterprise in that country, and the works in which the Company is interested are suffering increasingly from the adverse conditions brought about by the War, and their aggregate production has been greatly curtailed. It is to be noted, however, that the South African works are now running on a commercial scale, and the directors are able to report that the local conditions in that country are so far satisfactory that steps are being taken to increase substantially the productive capacity of the plant. The net trading profit of the Association has fallen from £454,056 to £342,481, but the interest and dividends received have risen from £109,202 to £112,971. Altogether, including the sum received from transfer fees, the total for the twelve months to June 1915 is £455,711, as compared with £563,750.

The progress that has been made during the past six years may be seen from the following:—

Year to June 30—1915	1914	1913	1912	1911	1910
£	£	£	£	£	£
Net trading profit	342,181	454,056	493,659	334,768	387,612
Interest and divs.	112,971	109,202	133,125	26,569	—
Transfer fees	259	492	565	530	632
	455,711	563,750	627,259	361,957	388,244
				388,244	332,255

Though it was quite possible twelve months ago to repeat the 5% dividend paid on the Ordinary capital, in view of the financial conditions brought about by the War, and having regard to the Company's various commitments, the directors took the wiser step of passing the dividend and keeping funds in hand. Consequently the carry-forward was increased from £51,535 to £151,571. For the past twelve months, after providing for the Preference dividend, there is a balance of £51,455; but of this £50,000 has been carried to the general reserve and depreciation account, leaving a balance of £1,455, which is manifestly insufficient to provide for any distribution on the Ordinary capital. The sum is accordingly added to the carry-forward, bringing it up to £153,026.

The manner of dividing the profits for the past five years may be seen from the following:—

Year ended June 30—1915	1914	1913	1912	1911
£	£	£	£	£
Balance of trading account	427,138	568,350	618,358	441,148
Interest, divs. & transfer fees	113,230	109,693	133,690	27,189
	540,368	678,045	752,048	468,337
Repairs and renewals	84,657	114,295	124,789	106,380
	455,711	563,750	627,259	361,957
				388,244
Reserve for inc. tax, chalk sinking fund & Deb. redemption-sinking fund, &c.	51,262	51,518	51,292	26,751
	404,449	512,232	575,967	335,206
Directors' salaries and fees	5,000	6,500	6,500	6,450
	399,449	505,732	569,467	328,756
Interest on mortgages, Debenture interest (4½% and 5%) and certs. of indebtedness	222,335	230,563*	270,430*	186,974
	177,114	275,169	299,037	141,782
Net profits	125,659	125,133	124,219	122,324
Preference dividend, 5½%...	—	—	—	—
	51,455	150,036	174,818	19,458
Ordinary dividend, 5%...	—	—	96,116	—
	51,455	150,036	78,702	—
General reserve and depreciation fund	50,000	50,000	65,000	25,000
	1,455	100,036	13,702	—5,542
Brought forward	151,571	51,535	37,833	43,375
Carried forward	153,026	151,571	51,535	37,833

\* Includes discount on realisation of securities.

In financing the Company in the past it has been necessary to raise money by means of Certificates of Indebtedness and mortgages, and up to 1912 these amounts steadily increased year by year. Since then, however, reductions have been made in both these amounts. During the past twelve months mortgages have been redeemed to the extent of £7,528, and the Certificates of Indebtedness by £45,375, while cancellation has taken place in the case of both the issues of Debenture stock, the First Debenture stock to the extent of £20,584, and the second to the extent of £26,100. The amounts may be seen from the following:—

	£
First Debenture stock cancelled	20,584
Second " "	26,100
Mortgages redeemed	7,528
Certificates of indebtedness redeemed	45,375
Total	99,587

At June 30, 1914, the discount and other expenses connected with the issue of the Debenture stock stood at £174,623. It has been thought well to liquidate this amount by an appropriation from reserves accumulated in past years out of revenue by the operation of the sinking funds of the Debenture stocks. Accordingly this item now disappears from the accounts altogether. The issued share capital amounts to £4,207,040, while the Debenture capital is £4,313,753. The mortgages have now been reduced to £200,472, and the Certificates of Indebtedness to £168,288. The total assets are valued at £9,959,347, of which the estates, property, goodwill, &c., are valued at £7,251,881. There are investments at cost and loans

standing at £1,871,761. The cash in hand at June 30 last amounted to £98,600.

The general position may be seen from the following statement:—

LIABILITIES.	£	ASSETS.	£
Share capital	4,207,040	Estates, property, goodwill, &c.	7,251,881
Debenture capital	4,313,753	Stock-in-trade	295,207
Mortgages	200,472	Debtors, &c.	444,898
Certificates of indebtedness	168,288	Investments	1,871,761
Creditors, &c.	238,825	Cash	98,600
Depreciation & reserves	565,114		
Profit and loss account	260,859		
	9,959,347		9,959,347

It will be realised that the steps that have been taken in recent years to make the Company's financial position more satisfactory have borne fruit, and the result is that the Association is better situated than it was some time ago to face the period of depression brought about by the War. Naturally the building trade will be adversely affected for some time to come, but the depression in this direction may be offset to some extent by the demands that will be made for cement for war purposes. Similarly, with regard to for subsidiary companies, the British Portland Cement Manufacturers are not likely to show any material improvement in the immediate future, nor can it be expected that the subsidiary company in Mexico will at present add materially to the Associated Company's profits. With the activity shown by the South African works satisfactory results should be secured from this quarter, and as far as the Canadian works are concerned it will probably be some little time before any real expansion is shown. Altogether, therefore, the outlook for a resumption of dividend on the Ordinary shares does not appear to be particularly promising, but there is no doubt that, having regard to the satisfactory financial position now built up, the Association is well placed, and should be able to take advantage of any improvement in trade. The £10 Ordinary share may be obtained at about 2½, as compared with £5 twelve months ago. The £10 Preference share stands at about 6½, as compared with 8½, at which price a yield of practically 8½% is forthcoming. The Association has always been able to provide for its Preference dividend, and it may fairly be assumed that this will prove to be the case in the future. On the Second Debenture Stock, quoted at 81½, a yield of £6 6s. per cent. is forthcoming, while on the First Debenture Stock, quoted at 85, the yield is a trifle over 5%.

Recent quotations for the Company's securities are as follows:—

Amount	Description	Par	Price	Div.	Yield
£		£	£	%	£ s. d.
2,248,094	4½% 1st Mt. Deb. stock	100	85	4½	5 1 2
2,065,659	5% 2nd Deb. stock	100	81½	5	6 6 2
2,284,720	5½% Cum. Preference	10	6½	5½	8 9 2
1,922,320	Ordinary	10	58	—	—

## BOLCKOW, VAUGHAN AND COMPANY.

With one exception the twelve months to June 30, 1913, were the most prosperous in the history of this North country iron and coal Company. The considerable vicissitudes of the industry are exemplified in the fact that for the following year to June 1914 the profits fell away to below one-half of those reported for the previous year. The causes of this substantial reduction were primarily a serious diminution in the prices obtained for the products, while on the other hand the wages paid substantially increased. Naturally, during the twelve months to June 30, 1915, war conditions have adversely affected the Company, and it has doubtless suffered very severely by inability to obtain an ample supply of labour. Altogether, therefore, it must be deemed satisfactory that while a further falling off in profits is reported, the reduction is comparatively slight, only amounting to £23,000. In order to show the manner in which profits and dividends have fluctuated since 1891, we give the following:—

Year	Production of iron, tons	Production of steel, tons	Production of coal, tons	Production of limestone, tons	Production of coke, tons	Dividend, %
1909	2,030,000	175,683	2,078,000	183,000	575,029	6
1910	2,078,000	175,683	2,078,000	183,000	575,029	6
1911	2,078,000	175,683	2,078,000	183,000	575,029	6
1912	2,078,000	175,683	2,078,000	183,000	575,029	6
1913	2,078,000	175,683	2,078,000	183,000	575,029	6
1914	2,078,000	175,683	2,078,000	183,000	575,029	6
1915	2,078,000	175,683	2,078,000	183,000	575,029	6
Average production for 1915	2,078,000	175,683	2,078,000	183,000	575,029	6

The Company is one of the most important of our coal and iron concerns. It is probably the largest maker of sulphate of ammonia, one of the most valuable agricultural manures known in the country, a position built up by the large expenditure which has been made during recent years on the plant and installation of by-product plant, securing the whole of the by-products which were formerly wasted, and the recovery of which now constitutes so important a part of the earnings of any concern. To indicate the importance of the operations carried on by the Company the production may be noted. The production of ironstone for the twelve months to June 30, 1910, was 2,030,000 tons; for the following year it was 2,078,000 tons; while for the twelve months to June 30, 1912, it fell to 1,583,615 tons. For the twelve months to June 30, 1911, the production of coal was 2,343,101 tons; for the following year it fell to 2,078,924 tons. The production of coke for the twelve months to June 30, 1912, was 575,029 tons, as compared with 743,839 tons the year before; while the limestone produced was 156,538 tons, as compared with 183,575 tons in the same year. The make of all classes of iron was 555,415 tons, as compared with 751,652 tons for the previous year. On the other hand, the make of steel at 175,683 tons was practically the same as in the year before.

For the twelve months to June 1913 the output of iron was 1,906,000 tons, while the output of coal was 2,280,000 tons, the production of coke was 688,000 tons, and that of limestone 183,000 tons, the production of pig iron, ferro and spiegel for the year was 737,692 tons, that of steel 221,505 tons, the total turnover for the year amounting to £4,219,000. For the twelve months to June 1914 the turnover amounted to close on £4,000,000, and though no details are afforded, the Chairman stated that there was no very material reduction in the quantity of material turned out. We trust that at the meeting on Wednesday next, September 29, the Chairman will once more give detailed figures of the production of the Company. The information enables shareholders and investors generally to take a more intelligent interest in the affairs of the Company. It will be realised, however, that the business is one of considerable size, and consequently requires a large capital. The issued share capital at June 30 last amounted to £3,218,380, which consists of £472,080 of Preference shares of £20 each, which received a 5% dividend, £1,629,760 in Ordinary shares of 20s. each fully-paid, and £1,116,540 of Ordinary shares of 20s. each, with 12s. paid. There are also in issue Debentures to a total of £921,400, while the Company also owns on loans and deposits a further £129,595. It has accumulated a reserve fund of £90,480, and special reserves totalling £117,581. The total assets are valued at £5,112,702, of which properties stand in at £3,842,803. Herewith we set out a statement of liabilities and assets as at June 30 last:—

LIABILITIES.		ASSETS.	
	£		£
Issued capital	3,218,380	Land, buildings, &c.	3,842,803
Debentures	921,400	Investments	78,225
Loans and deposits	129,595	Stocks	853,104
Sundry creditors	385,829	Royalties	8,266
Special reserves	117,581	Sundry debtors	228,049
Reserve fund	90,480	Loan on mortgage	9,167
Profit and loss	249,437	Cash	5,479
		Special expenditure	17,609
	5,112,702		5,112,702

The total expenditure upon open hearth steel furnaces, blast furnaces, exhaust steam turbines, by-product coke ovens, benzol plants, electrical installations, &c., during the year was £123,449, of which £105,840 was debited to capital account, and the balance of £17,609 provided from profits. The mention of the various purposes for which this special expenditure was incurred last year will give some idea of the fact that the Company is spending freely for the purpose of keeping its plant modern, and the total expenditure for this purpose, together with the amounts written off for depreciation for each of the past seven years, may be seen from the following statement:—

*Expenditure on Plant, &c., Year to June 30.*

	Out of Capital £	Taken from Profit £	Total £	Writings Off for Depreciation £
1909	204,769	93,380	298,149	82,784
1910	142,635	30,968	173,603	111,978
1911	127,869	56,408	184,277	123,041
1912	144,776	50,920	195,696	141,154
1913	175,037	35,212	210,249	149,051
1914	132,411	21,635	154,046	133,485
1915	123,449	17,609	141,058	118,637

The profits for the twelve months to June 30, 1915, amounted to £223,316, as compared with £246,464 for the previous year. After providing for Debenture interest and Preference dividend there was a surplus of £172,557, as compared with £194,913. The Ordinary dividend was maintained at 6%, calling for a sum of £164,778, and after writing off the special expenditure on plant, &c., there is a carry forward of £135,708.

To show the manner in which the profits have been divided for the past six years we give the following:—

	£ 1915	£ 1914	£ 1913	£ 1912	£ 1911	£ 1910
Profit, after providing for depreciation...	223,316	246,464	525,597	209,893	286,600	286,136
Debenture interest	27,155	27,947	30,764	33,514	33,014	32,873
Preference dividend (5%)	23,604	23,604	23,604	23,604	23,604	23,604
Ordinary dividend	164,778	164,778	274,630	137,315	164,778	164,778
	(6%)	(6%)	(10%)	(5%)	(6%)	(6%)
Brought forward	7,779	30,135	196,599	15,460	65,204	64,881
	145,538	137,038	135,651	171,111	162,315	128,402
Sundry expenditure on new plant, machinery, &c.	17,609	21,635	195,212	50,920	56,408	30,968
Carried forward	135,708	145,538	137,038	135,651	171,111	162,315

It was announced in March last that had it not been for the sum brought into the accounts no interim dividend could have been paid. In view of the results shown for the whole of the year it may fairly be assumed that during the second half results were much more satisfactory than for the first six months, and it is likely, therefore, that the outlook for the current year is considered good. Doubtless the Chairman will give full information on this point at the meeting on September 29. The present price of the partly paid share is 10s. 6d., and on the basis of a 6% distribution, which the Company should at least be able to maintain, there is a yield of nearly 7½%. The fully-paid share stands at 19s., giving a return of just over 6½% on the same basis. The £20 Preference share stands at 19½, giving a return of £5 1s. 6d. per cent.

We recapitulate the present capital arrangements as follows:—

Amount £	Description	Par £	Price £	Dividend %	Yield £ s. d.
472,080	5% Preference shares	20	19½	5	5 1 6
1,629,760	Ordinary shares, fully paid	1	19/0	6	6 10 5
1,116,540	Do. 12s. paid	12 0	10/3	6	7 4 0

The report contains the interesting note that War allowances to officials and workmen who have joined His Majesty's Forces accounted for £59,520. The whole of this sum has been written off against the reserve fund.

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## Insurance Notes.

### FINE ART AND GENERAL INSURANCE COMPANY, LIMITED.

OUT of many fire and accident companies established within the last 25 years on non-tariff lines few have achieved success, but amongst such as have done so the Fine Art and General Company is one of the most conspicuous. The business has been conducted on prudent and select lines, and the financial policy has been sound and conservative. While excellent and increasing dividends have been paid on a comparatively small paid-up capital, the greater portion of the trading profits have been devoted to increasing the reserves, and the Company's earnings from interest alone, if unimpaired, are sufficient to maintain the dividend declared for last year.

The subscribed capital was increased in 1913 from £370,000 to £500,000, and the paid-up capital from £37,000 to £50,000, the shares being for £10, with £1 paid. The dividend declared for 1913 amounted to 25 per cent. (5s. per share), free of income tax. That for 1914 is 27½ per cent. (5s. 6d. per share), but is subject to deduction of tax, which the increase in the rate just about counterbalances. The amount required for the distribution of the dividend in respect for 1914, after deduction of tax, is £12,690, whilst the departmental and other interest earnings, less income tax on profits, produced £12,791.

The trading profits, unencroached upon for dividend purposes, were considerable. In the fire and general section they amounted to £8,375, representing about 6.4% of the fire and general premium income—viz., £130,084. This was below the Company's usual profit standard for fire and general business. But, on the other hand, the profit on the employers' liability section was unusually large. The employers' liability premium income amounted to £55,129, and the rela-

tive trading profits to £13,049, or to about 23.2% thereof. The trading profits in both departments amounted, therefore, to £21,424, which slightly exceeded the corresponding profit in 1913.

The total profits taken into account from both interest and trading in 1914, less income tax, amounted to £34,215, which have been allocated as follows:—

In dividend	...	...	...	...	£12,690
In addition to employers' liability fund	...	...	...	...	5,000
In replacement of re-insurances (see below)	...	...	...	...	11,200
In grant to staff provident fund	...	...	...	...	2,500
In addition to balance carried forward	...	...	...	...	2,825

The replacement of reinsurances is consequent upon the outbreak of war, which necessitated the Company's surplus risks—which had been covered by foreign companies being placed elsewhere.

Apart from capital, and after provision for outstanding losses and for the full year's dividend, the reserves carried forward to 1915 are as follows:—

Fire and general fund	...	...	...	...	£202,033
Employers' liability fund	...	...	...	...	47,052
Balance of profit and loss account	...	...	...	...	56,782

**305,867**

This represents about 165% of the Company's total premiums, as compared with about 160% in 1913.

The strength of these reserves may be estimated from the fact that they are more than quadruple the amount specifically set aside as a provision for unexpired risks. When the second line of protection formed by the paid and uncalled capital is considered it will be seen that the security offered to the Company's policyholders is unusually ample. The dividend prospects are extremely good, looking to the fact that the handsome trading profits were not called on to contribute to the dividends declared in respect of last year's operations. Moreover, the investment position is more satisfactory than is the case with many insurance companies. The assets, according to the balance sheet on December 31, 1914, amounted to £481,554. A valuation of investments on the basis suggested by the Board of Trade—viz., the market value at December 31, 1913, of the securities acquired prior to that date and the cost price of those purchased since—is reported to show a figure in excess of that at which the investments are taken for balance-sheet purposes.

### LONDON AND LANCASHIRE LIFE AND GENERAL ASSURANCE ASSOCIATION, LTD.

A large proportion of the life business of this insurance Company is and always has been transacted beyond our shores. The Company has a very important Canadian branch, and is also actively represented in South Africa and in Egypt. An Indian branch relates to policies in force, as it was decided a few years ago to cease the transaction of new business in connection therewith. In 1912 the business of the Scottish Metropolitan Assurance Company was absorbed by the London and Lancashire Life, and the figures in the annual accounts since presented by the combined organisation include those of that Company. In addition to life and cognate business the Company transacts fire, accident and miscellaneous insurance.

The Company's new life business in 1914 amounted to £837,633 in sums assured, of which £69,900 was reassured, the net retention at its sole risk being £767,733, as compared with £785,124 in 1913. The net new business relating to the United Kingdom shows a decrease of £60,298, for which the outbreak of war is probably responsible, being £333,989, as compared with £394,287. On the other hand, the net new Colonial business was increased by £40,187, from £362,257 to £402,444; and the net new foreign business by £2,720, from £28,580 to £31,300. But the home business as a whole has been well maintained, while there has apparently been a diminution in the Colonial business in force. The total net life premium income of 1914, £399,762, is less than that of 1913 by

£15,011, and the comparison in sections is as follows:—

*Total Net Life Premium Income.*

	1913	1914
Home business ... ..	£226,855	£226,709
Colonial business ... ..	170,635	156,285
Foreign business ... ..	17,283	16,768
	<b>414,773</b>	<b>399,762</b>

Expenses, inclusive of commission, in 1914 absorbed about 20% of the total life premiums in all sections, including those relating to Scottish Metropolitan policies. The sum of £5,572 was received as consideration for new annuities granted. Claims by death, amounting to £202,819, although more by £34,260 than in 1913, are reported as having been "within the expectancy." Endowment policies for £113,879 matured by survivorship. After transfer of £6,581 to profit and loss account, representing proprietors' share of life profits, the life funds were increased by £96,552 to £3,903,688, the London and Lancashire life fund being increased by £66,164 to £2,996,939, and the Scottish Metropolitan life fund by £30,388 to £906,749. The average rate of interest realised in 1914 on the life and annuity funds, invested and uninvested, is reported as £4 4s. 9d. per cent. gross and £3 17s. 8d. per cent. after deduction of income tax. At the last quinquennial life valuation at the close of 1912 the rates of interest assumed were 3% in the case of participating policies effected since 1907 and 3½% for other assurances.

The premium income and the funds at close of 1914 (excluding reserves for outstanding losses) in the other departments were as follows:—

Department	Premiums	Funds
	£	£
Sinking fund, &c. ... ..	3,163	26,969
Fire ... ..	47,567	19,027
Accident ... ..	24,151	8,886
Employers' liability ... ..	20,649	8,259
General ... ..	47,759	15,919

The reserve fund amounted to £13,052, and the investment reserve to £77,445.

The subscribed capital amounts to £333,825, of which £66,765 is paid up, in shares of £5 with £1 paid. The dividend for the year is 1s. per share, with bonus of 2s. per share, free of income tax, the distribution having been of the same amount in the previous year.

The balance sheet as at December 31, 1914, shows total assets of £4,292,248. These include the assets of the Scottish Metropolitan Assurance Company and of the Welsh Insurance Corporation, which are primarily liable to claims by the holders of policies issued respectively by these companies. The Stock Exchange securities were taken at or under the values at which they stood at the last quinquennial valuation, and at or under cost price in the case of investments since made.

## CALICO PRINTERS' MEETING.

At the annual meeting of the Calico Printers' Association on September 22, Mr. Lennox B. Lee, the Chairman, pointed out that, of the many difficulties which had beset the Association during the past year, one of the most serious had been the shortage of the supply of colours and drugs requisite for their trade. In their case, contrary to the conditions obtaining in other branches of the textile trade, British makers were only able to supply a small proportion of the colours required, which proportion in normal times did not exceed from 5% to 10% of the total consumption, the reason being that the Swiss and German manufacturers had specialised in those products, whereas the British confined themselves more to the older and simpler colours, which were not nearly so suitable for the calico printing trade. Soon after the outbreak of war printers were cut down to the restricted range of British colours, supplemented by the much wider range of those manufactured in Switzer-

land, and had there been a reliable and continuous policy in supplying the Swiss makers with raw and intermediate products to the fullest extent consistent with other more imperative requirements, users of dye-stuffs would have fared infinitely better, and a large proportion of the increased cost in production would have been saved. As it was the restrictions of the various Government departments, the difficulties of obtaining permits and of transport, brought the colour makers, and therefore the printers, almost to a standstill, and the Association had to revert to the older colours and methods of printing. Mr. Lee went on to deal with the attitude of the directors towards the attempt of the Government to meet the question of the shortage of dyes, and said: "In the early part of the War he was invited, among others, to give his view as to the best method of meeting the difficulty. He advised that every support, both financial and otherwise, be given to the present makers, both British and Swiss, to meet the immediate requirements of the trades, and that the question of the manufacture in England on a large scale should be treated as a separate matter and left to a committee of experts to consider and advise upon. That opinion was shared by many others, and had it been adopted the position of the trades would, in his opinion, have been very different from what it has been during the last twelve months. Some of his co-directors felt that, being one of the largest consumers of colours in the United Kingdom, they should not hold entirely aloof, and they applied for 5,000 shares. Their subscription would have been substantially more if they had been able to obtain satisfactory assurances that the Company would be in a position to supply their demands for dyes. As far as they knew, British Dyes, Limited, had not done anything towards adding to the supply of colours by producing them, but they had obtained control of the output of Messrs. Read, Holliday and Sons by buying the shares of that Company, and they intended to distribute that output amongst the shareholders in proportion to their subscriptions. The President of the Board of Trade gave it as his opinion that, having regard to the co-operative basis of the enterprise, no exception could be taken to such allocation. Evidently he considered it of no account that by far the greater part of the money employed in the purchase of Messrs. Read, Holliday and Sons had not been supplied by those who subscribed for shares, but by the Treasury. It seems to the directors of the Association very strange that Mr. Runciman should consider it right that the interests of their 18,000 shareholders should suffer in consequence of this use of public funds, to which, it must be remembered, they contributed their quota. There could not, however, be any question of their being injured, as the Association was much worse off for colours than it would be if British Dyes, Limited, had not obtained a monopoly of them by the use of public money."

AFRICAN BANKING CORPORATION.—This bank has opened a branch at Hemmoe, Malmesbury district.

ARAUCO Co.—Interim dividend of 3%, less tax.

ARMY AND NAVY CO-OPERATIVE SOCIETY.—Interim dividend of 1s. per share, tax free.

BATU CAVES RUBBER Co.—Interim dividend of 25%, less tax, on Ordinary.

BKAM RUBBER ESTATE.—Interim dividend of 5 (actual) on paid-up capital.

BRITISH AND ARGENTINE MEAT Co.—Interim dividend of 1s. per share on Ordinary capital, subject to tax.

CANADIAN NORTHERN PRAIRIE LANDS Co.—Dividend of 5% for the half-year ended June 30, 1915.

CARDIFF CHANNEL DRY DOCKS AND PONTOON Co.—Interim dividend for half-year at rate of 6% per annum, tax free.

CARDIFF COLLIERIES.—Interim dividend of 5 on Ordinary, less tax.

COLTNESS IRON Co.—Dividend on Ordinary of 8% per annum, together with a bonus of 2%, thus making a total dividend and bonus of 10% for the year.

CURTIS'S AND HARVEY.—Interim dividend of 5%, less tax.

EASTERN TELEGRAPH Co. Second quarterly dividend of 1½% on Ordinary stock, free of tax.

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## Commercial.

### COPPER.

THE Copper market has again begun to assume a particularly interesting phase. For some little time now prices have been gradually moving upwards, and the fact has not escaped attention that the advance in refined copper has been much more rapid than that notified in the standard metal. The initial impetus which was given to the market for standard copper around the bottom prices touched a few weeks ago seems to have been impelled by some wirepulling in New York, instituted by American speculative interests who had built up a pretty big "bull" account on the London market. All their efforts to raise prices of standard copper in London having proved ineffectual, it was decided as a forlorn hope to attempt to manipulate the refined market across the Atlantic. The result of this was a sharp upward movement in refined copper in New York, which allowed the loss in London to be minimised; but there was a sharp downward reaction again in standard metal when liquidation was in progress. Since then the tendency has been generally upwards. The information to hand from America is certainly conflicting. There is a certain basis for the statement that German interests have been buying copper in America, and storing it on interned vessels, the expectation being that when the War ends there will be a huge demand for copper, and that the building up of a reserve which can be drawn upon immediately, and for the storage of which warehouse charges will not be incurred, is merely a matter of commercial prudence. The extent to which German buying has been at the bottom of the recent upward movement is beyond all positive knowledge, but the clamorous assertions of the leading American

producers that there is no accumulation of refined copper at their works fits in very neatly with the confident statements made as to German purchases during the last few months. It is a fact that production in America is now running over 60,000 tons a month, while the exports during August were only about 16,000 tons, and for the period of January to August amounted to only 170,524 tons, against 270,078 tons in 1914 and 258,804 tons in 1913. Nothing is more certain, moreover, than that American home consumption has been for months far below the average of recent years; but yet, in spite of this, firsthand interests across the Atlantic persist in asserting that there has been no accumulation of stock. The largest monthly deliveries on record in the United States were about 40,000 tons in October 1912, the average for 1912 being about 30,000 tons a month, and in 1913 about 29,000 tons a month, while for the first six months of last year (this being the latest period for which producers' statistics were issued) the monthly average was only about 21,000 tons. It would appear from this, therefore, that one of three things must happen before copper can be considered to be in a sound position—either exports must increase largely, or American home-trade requirements must undergo a great expansion, or the output across the Atlantic must be reduced. Of these the second appears the most probable, and already there are indications of a tendency in this direction.

The following table shows the United States exports of copper for the past four years in tons of 2,240 lb.:—

	1915	1914	1913	1912
January ... ..	26,193	36,018	25,026	31,229
February... ..	15,583	34,634	26,792	31,894
March ... ..	30,148	46,504	42,428	27,074
April ... ..	18,738	35,079	33,274	22,591
May ... ..	28,889	32,007	38,601	32,984
June ... ..	16,976	35,182	28,015	26,669
July ... ..	17,708	34,145	29,596	26,761
August ... ..	16,289	16,509	35,072	29,526
Total ... ..	170,524	270,078	258,804	228,728
September ... ..	—	19,402	34,356	25,572
October ... ..	—	23,514	29,239	25,020
November ... ..	—	24,999	29,758	19,171
December ... ..	—	22,166	30,653	29,174
Total ... ..	—	350,159	382,810	327,965

The fact is incontrovertible that American producers are looking with a more and more disapproving eye upon the dealers and merchant firms handling copper. For some time now they have been less and less willing to make sales through middlemen, and within the last few weeks have been positively refusing to accept orders offered to them from these useful trade intermediaries. This has resulted in the market being stripped rather bare of secondhand parcels, and consumers are being driven more and more into the hands of the producers, who, seizing time by the forelock, have been steadily raising their prices. The market is decidedly difficult to read, but there seems little solid foundation under existing conditions for the building up of a "bull" account in standard copper, based upon the conditions prevailing in European centres of consumption, even though certain quantities of this class of raw material are being withdrawn from English warehouses and shipped under permit to America for the purpose of being refined. Of course with a premium of £10 a ton and upwards on electrolytic over standard metal this process of conversion is distinctly profitable, but there are limitations upon the quantity which can be dealt with thus. The drain of gold to America, and the great prosperity in sight there, put power in the hands of United States producers willing to hold stocks, which they have never before possessed, and the moment may be judged opportune by them to strengthen their hold upon the market. Of course, if America begins to finance copper stocks owing to the favourable financial conditions the price of refined metal will advance and will inevitably drag standard copper after it. United States home consumption is certainly broadening.

## Course of Prices during 1915.

1915.	Standard Copper (Spot) per Ton London	Electrolytic Copper per Lb. New York Cents
Jan. 8	584	18.30
May 1	814	18.60
" 19	784	18.60
June 15	804	20.1
July 29	712	17.75
Aug. 5	744	17.80
" 23	684	16.10
" 25	71	17.87
Sept. 17	654	18.00
" 22	704	18.00

## LANCASHIRE COTTON INDUSTRY.

THE outstanding feature of interest during the past fortnight has been the further advance in raw cotton rates. On September 8 middling American on the spot in Liverpool was at 5.89d., while on September 22 the quotation was 6.55d. An important rise has also taken place in Egyptian cotton, fully good fair brown having advanced from 7.90d. to 9.10d. in two weeks. Various reasons are given for the stronger position of the raw material, and, although less favourable weather reports from the American belt have been partly responsible for the upward movement, the advices have not been sufficiently unsatisfactory to warrant such a big rise. The "bulls," however, have conducted an active campaign, and by this time the "long" interest must be considerable. There now seems to be a possibility of the yield in the States being less than 12,000,000 bales. Smaller estimates of the Egyptian crop are also being circulated, and some people do not anticipate an output of more than 4,750,000 cantars.

At the end of August, when the hardening tendency in raw cotton rates began to show itself, a larger inquiry in piece-goods was experienced, and there seemed to be some probability of freer operations. The further marked rise in values, however, has blocked progress and most of the bids from abroad are quite unworkable. Offers in staple makes for India are altogether too low, and in standard shirtings, which are quoted at about 7s. a piece, better bids than 6s. 4d. and 6s. 6d. cannot be met with. It is impossible, therefore, for the gulf between buyers and sellers to be bridged. The same sort of thing applies to light fabrics, such as dhooties for our Dependency, and many looms in Blackburn are standing idle for want of orders. For China prices have gone quite out of the reach of exporters, but some business has been done in specialties, such as dyed fabrics. Advices from Egypt are not so favourable as a month or two ago. In spite of difficulties in arranging transactions a fair amount of business continues to be done for South America. Producers of printing cloths in Burnley have moderate engagements and can afford to hold firmly to quotations. Some buying has recently occurred in special cloths for the home trade, and in certain departments progress is hampered owing to difficulty in getting supplies round.

Prices in American and Egyptian yarns are distinctly dearer than for a long time back. Spinners have had to put up their quotations to meet the higher cost in the raw material, but buyers have responded very slowly. Some improvement has shown itself in the turnover in medium American numbers. The margin of profit in coarse counts is being fairly well maintained. Some producers of Bolton spinnings have sold more freely, and special sales are mentioned in qualities suitable for sewing-cotton purposes, but owing to the impossibility of arranging prices many of the orders of the well-known Scotch Combine are still in abeyance. The turnover in shipping qualities is now falling off, but recently a fair business has been done for India, Holland and France.

## JUTE.

PRIOR to the outbreak of war a very high price had been obtained for First Marks Jute, the average for the seasonal year to June 30, 1914, being £32 17s. 6d., with the highest and lowest prices respectively £36 and £27, while immediately prior to the outbreak of war the price was £27 15s. per ton. The position caused was such that there was a temporary sharp rise to an average of £35 to £35 10s., but in the late autumn a collapse occurred, the price receding to as low as about £18 in the last month of 1914. This collapse had the effect of inducing a reduction in the sowings. Telegraphed advices from Calcutta are to the effect that the crop has diminished in different regions by a very heavy percentage extent, especially in the outside regions, and the acreage in Bengal shows a decrease of over 28%; hence the estimate of the current jute crop is given as about 7,500,000 bales, compared with a little over 10,000,000 bales a year ago. The weakness of the market for the commodity continued into 1915, the average for January being about £19, hardening to £20 to £21 as an average till the middle of July, and of late there has been a gradual creep up in price to very near £27 per ton. Last year, in our issue of November 28, we reviewed the history of the trade in recent years, showing how important the demand for jute is in connection with our Indian Dependency.

EDERAPOLLA TEA CO. OF CEYLON.—Interim dividend of 7½% (actual), less tax.

FLEMING AND FERGUSON. Dividend of 5% on Ordinary, making 10%, tax free, for the year.

GLENBOIG UNION FIRE-CLAY CO.—Dividend of 10%, less tax.

GLOBE TELEGRAPH AND TRUST CO.—First interim dividend of 2s. per share, tax free, on Ordinary.

GOLCONDA MALAY RUBBER CO.—Interim dividend of 10%, less tax.

HOLDRON, H. (PECKHAM).—Interim dividend at the rate of 6% per annum.

IMPERIAL TOBACCO CO. OF CANADA.—Interim dividend of 1½% on Ordinary.

INDO-CHINA STEAM NAVIGATION CO.—Interim dividend of 3% on the Deferred Ordinary shares.

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## MEETINGS OF PUBLIC COMPANIES.

### THE STEEL COMPANY OF SCOTLAND, LIMITED.

THE annual general meeting of the Steel Company of Scotland, Limited, was held in the Religious Institution Rooms, 200 Buchanan Street, Glasgow, on Wednesday, September 22, 1915, at 12.30 P.M.

Mr. W. Lorimer, LL.D., presided.

The Chairman: Mr. Pearson will read the notice calling the meeting and the auditors' report.

Mr. Pearson, Secretary, read the notice and the report.

The Chairman: You have all got copies of the report. I presume you will hold it as read. (Applause.) Gentlemen,—When we met here last year we had just six weeks' experience of the great War, and even then there appeared to be in everyone's mind a vague uncertainty as to how the situation would develop. This was in no way surprising, because the circumstances were so entirely new. We had not been engaged in a European war for 60 years, and then on an immensely smaller scale. This naturally created a tendency to regard the position as something incidental, something outside of our daily lives, and probably encouraged what proved to be the somewhat foolish call to carry on business as usual. So far as I remember the proceedings at our last meeting, we talked of the possibility of our being able to capture foreign markets which had hitherto been supplied by Germany, but I do not think that it occurred to any one of us that in the course of a few months we should be devoting a large part of our resources to the production of war material. The hope of a big increase in our foreign trade was not realised because the international financial position interfered with that, and for some months after our last meeting the prospect of a pleasant meeting to-day appeared to us all to be rather remote. Now, the progress that we made in the earlier part of the year, or, rather, the progress that we failed to make, is indicated by two or three figures which I shall just give you.

#### Improved Results.

From the beginning of our financial year, in the middle of July 1914, we had been falling steadily behind the previous year, the difference against us on November 7 being 32% in tonnage and 37% in money. The two years then kept more or less level until December 26, when the position was that we were behind the previous year to the extent of 23% in tonnage and 27% in money. From that point the difference was gradually wiped out. We gradually overtook the previous year, until, on May 22, 1915, we passed the invoice value of the previous year, and on June 19 we passed the tonnage. You will see, therefore, that we had a great deal of leeway to make up, and it is entirely satisfactory that at the end of the financial year we had overtopped the previous year, both in tonnage and in money value. (Applause.) The improvement is not attributable in any way to any improved commercial demand, because, as you are aware, a large part of our output is devoted to the construction of our mercantile marine, and ships built at the present time for mercantile purposes are certainly far too dear to be able to compete in normal times with those built under normal conditions. The improvement, in point of fact, is the result of our having been privileged to come to the help both of our own Government and of our Allies. (Applause.) I should have liked to say something to you in detail about this, and something that might have been interesting, but yesterday we had an intimation from the Munitions Department to the effect that the less that was said of these things the better would the authorities be satisfied, and of course we bow to authority. (Applause.)

#### Fluctuations in the Prices of Iron and Coal.

It is interesting to note to what extent we had variation in prices of our material during the year. We had, for example, the lowest price of pig iron during the financial year at 60s. and the highest 107s. 6d., an increase of 79%. The prices of coal and tripping in the same period increased by 85%, and the price of dross in the same period increased by no less than 127%. All our other supplies were increased in cost, although not necessarily to the same extent, but the cost of working was enormously in excess of what it was in the previous year. These costs, of course, were offset by the higher selling price we got for our productions, and also, as I have had occasion so often to remind you, by the fact that we were working at full pressure in almost every department. In a great manufacturing concern like this it is only possible to make satisfactory profits when you are fully employed everywhere.

#### The Balance Sheet.

Now, if you turn to the accounts for a moment, I have just a few words to say on these. If you turn to the balance sheet, at the first item—land, buildings, railways, machinery, &c.—you understand, of course, because it has been fre-

quently explained, that we are constantly improving the works out of revenue. We have done that for many years, to the extent of an average of £25,000 a year, and we always regarded that as an adequate depreciation. This year, on account of the pressure on us in other ways, we have not been able to spend as much as usual, the amount being only £17,356, and as much of the plant has been very hard worked, we thought it right to write off an additional depreciation of £20,000. That £20,000, with the depreciation on collieries and on dwelling-houses, explains the difference between this item in last balance sheet and in the present one. The Appleby entry remains the same as before, and will require to remain at that until the general financial position has greatly improved. Loose plant and tools, rather to my surprise, are down again, although I thought we had reached rock bottom prices. The other items are higher on account of the higher values, and also in some respects of higher quantities. On the other side of the accounts there is the usual Debenture redemption, and there is no other item that calls for remark. But if you have been yourselves comparing the two balance sheets, you may perhaps have noticed that if we take on the one side the whole of the liquid assets of the Company and deduct our debts from these, then the year that has just closed shows an improvement over the previous year of £92,684; or I would put it in another way, which is this, that the whole of our liquid assets will suffice to pay our debts, to pay the whole of our Debentures, and leave us with nearly £200,000 to the good. (Applause.)

#### Profit and Loss Account.

If you look at the profit and loss account, the balance from manufacturing accounts is almost exactly double what it was in the previous year, and I should just like to mention three items which are deducted from the manufacturing accounts before this balance is shown. We had paid during the year for health insurance £2,177 9s. 2d. We have paid for unemployment insurance, at a time when there is no unemployment, £355; and we have paid for workmen's compensation £3,595 1s. 1d. Then, on the other side, there are the usual items, with one that is new. You may remember that last year Mr. Thorneycroft explained to you that our articles of association precluded us from making any subscription to the various war funds, but there is nothing in those articles to prevent us from helping the dependants of our own employees who are serving at the Front. On that item you will see we have spent £3,443 6s. 6d. (Applause.) All this leaves us with a balance of £115,232 16s. 1d., and of that we have transferred £40,000 to the reserve fund. That is the largest transfer of the kind we have ever made in our history, and there are several reasons which induced us to debit this figure. In the first place, we have to think of the great uncertainty about everything at the close of the War. What the position will be no man can tell, but I am very much afraid it is not likely to be good. It is impossible, in my opinion, that this awful expenditure can result in anything short of a serious restriction on business for a long time to come, because I confess that I am not able to find any comfort in the view expressed the other day by a financial journalist, who for the moment posed as an economist, and who sought to relieve our anxieties by airily explaining that all this money that was spent was simply a transfer from one pocket to another. Another thing it is only right to tell you is this: that we have a good many low-priced contracts still to execute, and although we bought pig iron at prices which would have enabled us to execute these without loss, still that pig iron was used for other purposes, and these contracts have been postponed on account of the more urgent requirements of the Government, and although the probability is that they will be executed at much lower cost than prevails to-day, they are not likely to yield as much profit, but rather the reverse. Finally, there is our obligation in connection with the Appleby Company. We do not in the least regret our investment there. Everything is thoroughly satisfactory, but we cannot proceed to erect steelworks for the manufacture of basic plates so long as the financial position is so complicated and difficult as it is to-day. We have, therefore, to confine ourselves meanwhile to the production of pig iron. Furnaces have been improved and the production increased, and the result, so far as that goes, is entirely satisfactory.

#### The Dividend.

The balance that remains after all that is £75,232 16s. 1d., just equal to a dividend of 15%, or, if we had been content with a carry-forward equal to that of last year, to a dividend of 11 or 12%. After full consideration, we have restricted our dividend to 7½%, and that for two reasons. In the first place, on account of the high prices which now prevail, and which makes it costly to hold

stock, but cash resources ought to be as good as possible and as large as possible, and all the more so because, although the Government are the best paymasters in the world, they are by no means the most prompt. (Laughter.) The other reason, however, is more important, and we did not know until this morning whether it would apply to us or not.

#### The War Profits Tax Justified.

A great deal has been said recently about the special taxation of war profits, and the principle has been embodied in the agreement entered into between Mr. Lloyd George and the trade unions so far as the controlled establishments are concerned. We have the Government's proposals before us this morning, and I have had to resist my temptation with all my heart I had had another day, because I have not yet had time to make out to what extent exactly these are going to affect us, but the matter, of course, is one of very great importance to us, and therefore I would hardly be justified in passing it over without reference. You are aware that on more than one occasion I have in this place denounced Government legislation as it affected the country's industries, and I may be permitted to say how heartily I approve of the principle which has now been set forth in Mr. McKenna's Budget, although I am not at all sure that its application is adequate. To my mind there is something absolutely revolting in the idea of anybody making profits out of the nation's agony. (Applause.)—and especially so in the case of a man or a company who have had no extra labour or anxiety, but whose opportunity has come solely because of an artificial scarcity created by the Government on account of the nation's need. The ideal principle of taxation is, of course, equality of sacrifice, but though in practice this is wholly unattainable, the nearer we approach it the more excellent the system which produces such a result. When we think of those splendid men of ours in Belgium, France, the Dardanelles, and elsewhere, how—with that cheerfulness and dignity to which we pay the homage of proud admiration—they have sacrificed home, kindred, health, comfort, and ease—ay, and many scores of thousands of them have given the last and the greatest of all sacrifices—how they are saving the world from the domination of the most brutal race that has ruled in Europe for the last 1,500 years—when we realise these things, then we must feel how paltry and insignificant is any monetary sacrifice which we who must remain at home can lay on the altar of patriotism. (Applause.) This War, God knows, will bring untold suffering in more than one form to millions who have no war profits to collect and no war bonus to receive, and therefore I have felt in my own mind, long before this proposal was made, that in that direction the Government would be entirely justified in asking those who have made profits to assist those who are less fortunate. It may be, indeed, that before the War is ended the Government may find it necessary to take not 50 but 100% of those extra profits, and if they do I hope that none of us will complain. As I have said before, sacrifice is demanded all round, and there are hundreds of thousands of others who are making infinitely greater sacrifice than is possible to us. Now, gentlemen, I want you to understand that in saying this—and in saying that I contemplate with equanimity a further taxation of our profits for these war purposes—I have been speaking entirely on my own account. We have had no time as a board this morning to discuss these matters, but I am disposed to think from what I know of them that my colleagues will agree with me. In the meanwhile, this carry-forward which we propose will meet the claims of the Government, and I hope we shall be equally fortunate in being able to meet them in the year that has now begun.

#### Future Prospects.

I don't generally say anything whatever about future prospects, but I have indicated to you that these results which are shown in the balance sheet are results achieved by the employment we have had from the Government and from the Allied Governments, and we continue as busy as ever we were. Therefore we look forward to having a pleasant meeting with you a year hence. I think it only right to add that the strain upon everybody during the year has been abnormal and altogether excessive, and that our officials have responded to it in the most generous and whole-hearted manner. We owe them a great debt of obligation for the devotion to duty which they have displayed during all that time, and I am glad to have an opportunity of acknowledging it in the presence of the shareholders. (Applause.)

Mr. Pearson read the following resolution, which was formally moved by the Chairman: "That the report and abstract relative to the balance sheet shall be and are hereby approved of and adopted, and that a dividend on the Ordinary capital of the Company be declared at the rate of  $7\frac{1}{2}\%$  per annum, less income tax, to be payable on the 23rd instant."

Mr. Wallace Thorneycroft: I beg to second that. The resolution was adopted.

#### Question of Interim Dividends.

The Chairman: I ought, before asking Mr. Pearson to read that resolution, to have asked you whether you had

any questions. (After a pause.) Well, if there is none, I will put one myself. A shareholder writes: "I would like to ask the Chairman at the meeting on the 22nd instant the following question: 'In view of the fact that allocations to reserve are large, and that the amount carried forward is considerably more than the amount distributed in dividend, if the board would not consider the advisability of paying an interim dividend six months hence.' " That is an old question, and one that I have had to answer more than once, and the explanation I gave of our objection to the proposal was that it very often happened that we made all our money in, it might be, the first or the last six months of the year. Here is just a case in point. I have explained to you in what I have said to-day that the first six months of the year were very bad. We had no expectation whatever, until we began our Government work, to be able to show a profit, because the ordinary commercial demand had almost disappeared. And while I think it is more than likely that we could afford to pay an interim dividend this current year, we should not care to begin a new system which we would ultimately have to stop. We will consider it again in view of this letter, but I have indicated my own feeling in the matter pretty clearly, and would like to go on as we have been doing. (Applause.) There is another question, too, that has come up. It has been suddenly discovered, possibly on account of yesterday's proceedings in Parliament, that we have been receiving directors' fees during all these years without deduction of income tax. I have very little doubt in my own mind that the shareholders intended that we should receive this sum free of income tax, because after all it is really very modest, is it not? (Laughter.) But it would be a pity, we feel, that we should continue to do anything irregular, and therefore I beg formally to propose, in order to put ourselves right, "That the remuneration of the directors for the past year and for future years until altered by the Company be fixed at £2,000 per annum, free of income tax." (Applause.)

I have put this as Chairman of the Company. You will see that it affects us, and I should like some shareholder to second it.

Mr. MacLeod: I have very much pleasure in seconding. We know perfectly well what it is to have a large community, but it would be nothing more than a rabble without a leader, and surely when we have got such good leaders any reasonable thing should be willingly conceded to them.

The resolution was approved.

Mr. J. A. Barr: Mr. Chairman and Gentlemen,—I have much pleasure in moving the following resolution: "That as Mr. Hugh Neilson and Mr. Wallace Thorneycroft, in terms of the Company's articles of association, retire from office at this meeting, they be and are hereby re-elected directors of the Company."

Mr. A. W. Blair seconded.

The resolution was adopted.

Mr. Charles D. Cree: I beg to move: "That Mr. Robert Campbell Mackenzie, C.A., and Mr. James Alexander, C.A., be reappointed auditors of the Company for the ensuing year at a remuneration of £105 each."

Mr. George Hunter: I beg to second that.

The resolution was adopted.

#### Vote of Thanks to Chairman, Directors and Staff.

Mr. Harold E. Yarrow: Before we part, gentlemen, I should like to place before you a resolution conveying our sincere thanks to the Chairman, directors and members of the staff. I know that in spite of the great pressure due to the War they have been able to undertake delivery of material with promptness and with entire satisfaction, and as regards the quality of the material, it follows the example of the management of the Company, and is therefore thoroughly sound. I should like to move a hearty vote of thanks to the Chairman, directors and staff. (Applause.)

The Chairman: Well, gentlemen, I have had this pleasure for a great many years now, but it never gets stale. It is a great satisfaction to know that our services are appreciated, and that we are able to give the shareholders satisfaction. I thank you for the vote to myself, but now as always I regard it as a vote of thanks to all my colleagues and officials, for there is not one of us who is not eager and ready at all times to do his best for the Company. I think we would like, if it were possible, to do even more than we do. Therefore you may be assured that so far as lies in our power your interest will receive our best attention. (Applause.)

#### CITY DEEP, LIMITED.

The annual meeting of the City Deep, Ltd., was held on June 9, Mr. E. A. Wallers presiding.

The Chairman said: Gentlemen,—It is a great pleasure to-day to be able to congratulate you on the fact that, as you will have noticed from the reports and accounts for the year 1914, which have been in your hands for a considerable time, there is in evidence a very marked improvement in results in every direction.

#### Record Profit.

The working profit obtained for the year was £398,777, and with the credit balance on sundry revenue and expenditure account, amounting to £8,940, there was earned a total

net profit of £407,717. This profit is by far the highest that has been obtained in the history of your Company, and adding to it the balance of £145,130 which remained unappropriated at the beginning of the year under review, we get a total available for distribution of £552,847. We handled this by paying two dividends of altogether 23½ per cent., or £296,815, the Government taxes for the year amounted to £39,744, and the net expenditure on capital account, chiefly in connection with the sinking and equipment of the circular shaft and No. 1 main vertical shaft, was £76,081. The balance remaining at the end of the year after these appropriations had been made amounted to £140,147, which is represented by your cash and cash assets in hand less your liabilities—an eminently sound cash position, you will agree. The tonnage milled for the year at 505,000 tons is about 36,000 tons greater than was treated in the year preceding. The revenue at 38s. 2d. per ton is 5d. per ton higher than during 1913, and the average working costs for the year at 22s. 5d. show a gratifying decrease of 3s. 2d. per ton. The resultant profit per ton was therefore 15s. 9d., or 3s. 7d. per ton greater than that of the year prior to the one we are considering.

#### Underground Development.

The next matter to which I think I should direct your attention is the extensive development work which took place last year, and the results obtained from it. The total footage effected, including drives and a considerable amount of shaft-sinking, &c., was 24,228 feet, as compared with 20,987 feet during 1913. The larger proportion of the footage driven was naturally in order to develop Main Reef Leader, and of the total amount of this reef developed during the year no less than 96 per cent. was payable. A certain amount of Main Reef was also exposed, and for the first time about 166,000 tons of this reef have been included in the ore reserves. At this juncture we might look for a moment at our ore reserves and their condition, both as to quantity and quality, as compared with the previous year. On the Main Reef Leader you have 2,329,000 tons of a value of 10.2 dwt., as compared with 2,152,000 tons of a value of 10 dwt. at the end of 1913. On the South Reef you have practically the same tonnage as the year previously, viz., 15,600 tons of a value of 4.7 dwt. On the Main Reef you have 166,000 tons of a value of 3.7 dwt., whereas last year no tonnage on this reef was included in your reserves. The estimated total reserves, therefore, equal 2,510,000 tons of a value of 9.7 dwt.; and you will realise that very active development operations have taken place during the period we are reviewing. It has been a heavy charge on working costs, equivalent to approximately 3s. per ton milled. The sinking of the circular shaft was continued during last year, and as a matter of fact was completed early in this year. You will realise that the completion of this work, at a total cost of £54,204, which enables us to put into operation a thoroughly good ventilating system, is of the highest importance in relation to its effect upon the health and the efficiency of our employees.

#### The Current Year's Operations.

That, I think, really completes my review of last year's operations, and I now propose to bring your information up to date as regards the work carried out and the results obtained during the months of this current year. Referring first of all to current development operations, I would say that, taking the mine as a whole, the development operations continue to be good. In order to give you the last available information, I give below a summary of the development footage, level by level, on the Main Reef Leader sampled since the beginning of this year and the values reflected:—

#### No. 2 SHAFT.

Level	Vertical Depth Below Collar Feet	Footage Sampled	Average Channel Width Inches	Average Channel Value Dwt.	Incl. Dwt.
2nd	2,137	215	84.8	13.7	1,162
3rd	2,263	250	24.8	32.6	803
4th	2,407	275	51.5	25.2	1,298
5th	2,542	280	45.0	10.1	455
7th	2,875	120	33.4	10.2	341
8th	3,001	30	68.0	11.9	809
9th	3,208	30	40.0	5.4	216
10th	3,360	245	34.5	8.7	300
11th	3,519	245	74.3	3.8	262
12th	3,682	95	38.8	8.5	330
13th	3,843	145	43.9	10.0	439

#### No. 1 SHAFT.

9th	3,208	90	58.4	5.4	315
11th	3,450	260	47.4	9.5	450
12th	3,617	310	41.2	8.0	330
13th	3,770	40	25.8	26.7	689

I would again remark here how extremely unfortunate it is that we have experienced the delay in getting our hoist for the No. 2 incline shaft, because it has prevented our getting down and ascertaining what values can be expected from the lower portions of your mine. As regards monthly profits obtained since January last, you will have noticed from the results as published that the improvement has been very

marked. Costs have been still further decreased, till for last month, namely May, we find that we milled 59,500 tons, with 37s. 4d. yield, at 20s. 3d. working costs. The total profit obtained amounted to £50,800, and the development footage effected was 1,979 feet. This constitutes a record for the mine, and is indeed a very substantial improvement on anything that has been achieved before.

#### A New Slimes Plant.

The labour supply has been considerably improved recently, and, as you will see, the management has been able to increase the tonnage. This increase in tonnage shows us that we are pushing the slimes portion of our plant to a greater degree than is economically sound, and during the cold weather, with the big tonnages we are handling, we do not obtain the high degree of metallurgical efficiency that is desirable. Your board has been giving this matter very careful consideration, and we have decided to instal a Butters filter plant of such a capacity that, in conjunction with the other units in your treatment plant, the total capacity would be practically 80,000 tons per month, with a resultant high metallurgical efficiency.

The report and accounts were then adopted.

### RAND GOLD OUTPUT.

**Bantjes Consolidated.**—Capital issued £502,306, in £1 shares. Three tube mills. Capacity of plant 30,000 tons per month.

Year ends Dec. 31	Tons Milled	Sort- ing	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1914 ... 100	279,190	—	324,650	22/11	289,911	20/9 30,739 2/2
1915.						
Mar. qr. 100	47,750	9½	51,523	21/7	61,618	25/9 14,124 4/2
June qr. 100	61,000	8½	77,225	25/3	62,544	20/5 14,551 4/9
July ... 100	20,500	8½	22,441	21/11	21,137	20/3 1,304 1/3
Aug. ... 100	21,300	—	23,233	21/11	20,597	19/4 2,611 2/7

\* Loss due to central shaft breakdown.

Dividends—1914, June, 2½; Dec., 2½ per cent.  
1915, June, nil.

**Ginsberg.**—210,000 £1 shares issued. One tube mill.

Year to Dec. 31	Tons Milled	Sort- ing	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1914 ... 77½	179,089	25	204,522	22/9	159,961	17/10 44,561 4/11
1915.						
Mar. qr. 75	45,100	18½	49,044	21/9	39,697	17/7 9,347 4/2
June qr. 75	46,444	15½	51,099	22/0	39,675	17/1 11,424 4/11
July ... —	15,800	10½	18,013	22/10	13,943	17/9 4,070 5/1
Aug. ... —	15,785	—	17,693	22/5	13,500	17/3 4,193 5/2

Dividends—1914, June, 10; Dec., 7½ per cent.  
1915, June, 7½ per cent.

**Glencairn.**—£550,000, in £1 shares. Sundry revenue, about £2,000 a year, included in profits; also accumulated slimes revenue.

Year to Dec. 31	Tons Milled	Sort- ing	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1914 ... 158½ av.	251,552	9½	172,433	14/2	148,429	11/9 30,004 2/5
1915.						
Mar. qr. 160	60,690	10½	44,208	14/6	37,340	12/3 6,868 2/3
June qr. 160	63,370	11½	43,016	13/6	26,754	11/7 6,262 1/11
July ... —	22,090	10	14,573	13/2	12,136	11/2 2,387 2/0
Aug. ... —	21,760	—	14,058	12/11	11,923	11/1 2,135 1/10

Dividends—1914, June, nil; Dec., 5 per cent.  
1915, June, nil.

**Glynn's Lydenburg.**—£170,000, in £1 shares. The Company has one tube mill, started May 1910.

Year to July 31	Tons Milled	Sort- ing	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1913-14 ... 20	45,938	100	626	43/9	46,780	20/4 53,846 23/5
1914-15 ... 2½	47,819	83	271	34/10	47,520	19/10 35,751 15/0
1915-16.						
Aug. ... 20	4,095	7	267	35/5	4,232	20/11 2,985 14/3

Dividends—1914, Jan., 10; July, 10 per cent.  
1915, Jan., 10; July, 10 per cent.

**Main Reef West.**—Capital, £491,188, in £1 shares; £256,223 Six per Cent. Debentures. 120 stamps, three tube mills; capacity, 25,000 tons monthly.

Year ends June 30	Tons Milled	Sort- ing	Revenue Amt. £	Expenses Amt. £	Profit Amt. £	Price Per ton end of Period
1913-14 ... 91 av.	212,981	11½	303,104	28/5	246,468	23/1 56,636 5/4
1914-15 ... —	289,520	10	318,713	23/8	267,838	19/11 50,875 3/9
1915-16.						
July ... —	21,790	10½	29,318	23/8	24,984	20/2 4,334 3/6
Aug. ... —	25,290	—	27,919	22/0	21,222	19/1 3,697 2/11

Dividends—1912, June, 7½; Dec., 5 per cent.; nil since.

**Primrose.**—£325,000, in £1 shares. Sundry revenue, say £390 per month, included in 1915 figures. Two tubes since December 1912. No sorting done.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	£	£	£	Per end of
			Amt.	Per Ton	Amt.	Per Ton
1914	114	714,000	57,342	22/3	172,418	11/1
1915.						
Mar. gr. 1915	140	80,000	14,147	40,657	13/7	18,157
June gr. 1915	140	80,000	61,289	18/5	39,448	11/10
July 1915	140	80,000	18,886	17/5	13,255	12/4
Aug. 1915	140	80,000	18,886	17/5	13,255	12/4

Dividends—1914, June, 20; Dec., 20 per cent.

1915, June, 20 per cent.

**Simmer Deep.**—Capital issued, £1,650,000 in £1 shares. There are £583,400 of Five-and-a-Half per Cent. First and £237,500 of Five per Cent. Second Debentures. Nine tube mills. Profits include sundry revenue.

Year to	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	£	£	£	Per end of
			Amt.	Per Ton	Amt.	Per Ton
1914	180	643,000	534,062	16/7	495,024	15/5
1915.						
Mar. gr. 1915	180	643,000	154,795	14/3	14,494	14/3
June gr. 1915	180	643,000	188,008	14/5	142,141	14/3
July 1915	180	643,000	48,564	18/9	40,004	14/1
Aug. 1915	180	643,000	58,700	17/0	46,137	15/6

Gold reserve: Jan., 2,928; June, 2,749; July, 1,999.

**Sub Nigel.**—Capital £475,000 in £1 shares. Issued, £431,580.

Year ends	Tons	Sort-	Revenue	Expenses	Profit	Price
Dec. 31	Stps.	Milled	£	£	£	Per end of
			Amt.	Per Ton	Amt.	Per Ton
1914	25	57,655	108,225	37/6	89,024	30/10
1915.						
Sept. gr. 1915	25	15,230	29,349	38/6	23,208	30/6
Dec. gr. 1915	25	13,760	28,875	41/11	24,972	36/3
Mar. gr. 1915	25	13,790	27,795	40/4	24,321	35/3
June gr. 1915	25	15,690	30,661	39/1	32,469	41/4
12 mos. 1915.	25	53,470	116,680	40/0	104,970	36/0
July 1915	25	6,753	12,614	37/4	10,575	31/4
Aug. 1915	25	6,930	13,309	38/5	10,808	31/2

Loss during this quarter the new plant was brought into commission).

Dividends—1912-13, 7½ per cent. 1913-14, 5 per cent.; 1914-15, Dec., 2½ per cent.; June, nil.

## INDIAN MINES.

**BALAGHAT.**—Capital, £212,600 in Ordinary and £95,400 in Ten per Cent. Preference shares of £1 each. The Preference shares after first receiving 10 per cent. entitled to participate *pro rata* with Ordinary for further dividend, but are non-cumulative.

Yr. ends	Ore	Total	Working	Working	Price
Dec. 31	Milled	Gold Yield	Costs	Profit	Per end of
	Tons	£	Per Ton	Per Ton	Period
1914	40,440	66,691	53/0	30/9	0/6
1915.					
Mar. gr. 1915	9,687	16,188	33/5	—	—
June gr. 1915	9,009	16,405	34/6	—	—
July 1915	3,100	5,505	35/7	—	—
Aug. 1915	3,000	5,542	36/11	—	—

\* Before deduction of royalty (£3,264 in 1914).

† Price of Ordinary shares.

‡ Estimated at £4 5s. per fine oz.

Dividends per cent.—Account 1907, March, 10 on Pref. Nil since.

**CHAMPION REEF.**—Capital £260,000, in shares of 2s. 6d.

Year ends	Ore	Total	Working	Total	Price
Sept. 30	Milled	Gold Yield	Costs	Profit	Per end of
	Tons	£	Per Ton	Per Ton	Period
1912-13	220,551	510,736	46/3	218,001	19/7
1913-14	216,934	527,500	48/7	225,489	19/7
1914-15.					
Dec. gr. 1915	54,552	134,500	49/4	—	—
March gr. 1915	53,113	136,000	51/2	—	—
June gr. 1915	71,598	138,800	53/10	—	—
July 1915	17,710	46,822	52/11	—	—
Aug. 1915	17,575	46,841	52/5	—	—

\* Includes yield from accumulated slimes.

† Before payment of royalty.

(a) Estimated.

Dividends per cent.—Total distribution, account 1911-12, 50. Account 1912-13, April, 15½; July, 16½; December, 20. —Total, 50. 1913-14, March, 13½; July, 16½; December, 23½.—Total, 53½. Account 1914-15, March, 13½; July, 16½.

**MYSORE.** Capital £1,000,000 in £1 shares.

Year to	Ore	Total	Working	Working	Price
Dec. 31	Milled	Value	Costs	Profit	Per end of
	Tons	£	Per Ton	Per Ton	Period
1913	39,000	152,303	34/8	122,109	27/9
1914	107,240	182,267	33/11	144,658	27/0
1915.					
Mar. gr. 1915	22,453	88,500	38/10	—	—
June gr. 1915	73,500	111,111	—	—	—
July 1915	72,000	—	—	—	—
Aug. 1915	25,850	73,850	—	—	—

\* Estimated.

† Before deduction of royalty (£54,902 in 1914).

(a) Exclusive of royalty (£54,902 in 1914).

Dividends per cent.—Account 1912, 120. Account 1913, 125. Account 1914, 115. Account 1915, June, 35.

**NUNDYDROOG.** Capital £283,000, in 10s. shares.

Year ends	Ore	Total	Working	Working	Price
Dec. 31	Milled	Value	Costs	Profit	Per end of
	Tons	£	Per Ton	Per Ton	Period
1912	100,552	330,937	65/9	27/10	160,228
1913	90,650	304,326	67/1	31/9	160,228
1914	89,950	303,551	67/5	32/3	160,228
1915.					
Mar. gr. 1915	22,800	78,308	68/10	—	—
June gr. 1915	80,000	—	—	—	—
July 1915	80,000	—	—	—	—
Aug. 1915	80,000	—	—	—	—

\* Before deduction of royalty (£19,493 in 1914).

(a) Including slimes, &c.

† Estimated.

Dividends per cent.—Account 1912, total, 41½. 1913, total, 35. 1914, total, 35. 1915, June, 10.

**OOREGUM.**—Capital issued, 481,544 Ordinary and 240,000 Ten per Cent. Preference shares; all shares of 10s. each. Preference shares first get 10 per cent., and, beyond, same dividend as paid on Ordinary.

Yr. ends	Ore	Total	Working	Working	Price
Dec. 31	Milled	Value	Costs	Profit	Per end of
	Tons	£	Per Ton	Per Ton	Period
1913	153,636	360,885	47/0	186,613	24/4
1914	154,898	367,082	47/4	22/10	186,613
1915.					
Mar. gr. 1915	58,411	65,800	48/10	—	—
June gr. 1915	58,505	65,117	47/10	—	—
July 1915	12,800	14,181	47/7	—	—
Aug. 1915	12,850	14,181	47/8	—	—

\* Before deduction of royalty (£21,660 in 1914).

† Estimated at £4 5s. per fine oz.

Dividends per cent.—Total distribution, account 1911 and 1912, 40 on Preference and 30 on Ordinary. Account 1913, 42½ Preference and 32½ Ordinary. Account 1914, June, 17½ Preference and 7½ Ordinary; December, 7½ each; March, 10 each. Account 1915, June, 17½ Preference and 7½ Ordinary.

## MINES.

**ABOBSO GOLD.**—Issued capital, £400,000, in £1 shares.

Year ends	Ore	Total	Working	Working	Price
June 30	Milled	Value	Costs	Profit	Per end of
	Tons	£	Per Ton	Per Ton	Period
1913-14	39,000	152,303	34/8	122,109	27/9
1914-15	107,240	182,267	33/11	144,658	27/0
1915-16.					
July 1915	9,257	13,596	30/2	10,685	23/1
Aug. 1915	9,276	16,400	35/5	—	—

Working costs allow 4s. per ton for development redemption.

\* After allowance for depreciation and taxes.

† Includes £2,000 recovered from slimes brought forward from previous month.

Dividends per cent.—1912, Dec., 5; 1913, Oct., 5.

**ASHANTI GOLDFIELDS.**—Issued capital, £220,611 8s., in 1,103,057 shares of 4s. each. Recent returns, including cyanide, have been as under:—

Year ends	Ore	Total	Working	Working	Price
June 30	Milled	Value	Costs	Profit	Per end of
	Tons	£	Per Ton	Per Ton	Period
1913-14	117,857	443,569	75/2	269,980	49/2
1914-15.					
Sept. gr. 1915	28,199	114,531	81/3	69,829	49/6
Dec. gr. 1915	33,721	110,159	65/4	71,237	42/5
Mar. gr. 1915	33,440	108,671	64/11	72,930	43/7
Apr. 1915	11,737	37,109	63/3	23,585	40/3
May 1915	11,900	38,296	64/4	22,713	38/2
June 1915	12,007	38,295	63/9	24,471	40/9
12 mos. 1915-16.	131,004	447,061	68/3	284,765	45/6
July 1915	11,965	38,452	64/4	—	—

\* Including result of treatment of accumulated slimes.

NOTE.—The "total cost" item includes working costs at mine, provision for depreciation, full development outlay, royalty (5 per cent.) and London expenses.

Dividends per cent.—1911-12, 75; 1912-13, 87½; 1913-14, 68½; 1914, July, 25; Nov., 25; March, 18½; 1915, July, 25.

**ALASKA TREADWELL.**—Capital \$5,000,000, in \$25 shares. Milling results have been as follows:—

Yr. ends	Ore Milled Tons	Gold Yield		Total Working* Costs		Net Mining Profit		Price of Share end of Period
		£	Per Ton	£	Per Ton	£	Per Ton	
Dec. 31	892,192	441,177	9/10	214,461	4/9	226,716	5/1	8½
1912	886,057	471,684	10/7	226,997	5/1	244,687	5/6	7½xd
1913	909,794	457,124	10/1	222,034	4/11	235,090	5/2	—
1915.								
Mar. qr.	221,500	88,160	7/11	57,440	5/2	30,720	2/9	7½
June qr.	206,006	88,501	8/7	56,803	5/6	31,698	3/1	7½
July	68,760	26,040	7/7	23,340	6/9	2,700	10/7	—
Aug.	79,600	30,340	7/8	24,540	6/3	5,800	1/5	6½xd

\* Smaller tonnage due to breakdown of central hoist on June 19.

\* Including construction expenditure.

Dividends per cent.—1912, total 13. 1913, Feb., 4; May, 4; Aug., 4; Nov., 4; Dec., 4 (bonus). 1914, Feb., 4; May, 4; June (bonus), 3; Aug., 4; Sept. (bonus), 3; Nov., 4. 1915, Feb., 4; May, 4; Aug., 3.

**ABBONTIAKON.**—Issued capital, £625,457 10s., in 10s. shares. Loans remaining to be cleared off, about £20,000.

Year ends	Tons Milled	Gold Value		Total Expenses		Profit		Price of Shares end of Period
		£	Per Ton	£	Per Ton	£	Per Ton	
Dec. 31	46,415	79,284	34/2	70,409	30/4	8,875	3/8	6/3
1912 (6 mos.)	108,500	235,628	43/5	146,687	27/0	88,941	16/5	7/6
1913	131,762	253,757	38/6	169,229	25/9	84,528	12/9	—
1915.								
Mar. qr.	32,929	59,497	36/1	42,819	28/0	16,678	10/1	8/9
June qr.	32,621	68,542	42/0	43,646	26/9	24,896	15/3	8/0
July	10,787	21,948	40/3	14,929	27/9	7,019	13/0	7/9
Aug.	10,112	18,366	36/3	14,982	29/7	3,384	6/8	8/0

\* Includes £13,837 from tube mill.

† Includes £15,128 from tube mills.

‡ Includes £8,247 from tube mills.

§ Includes £5,607 from tube mills.

Dividends—Account 1914, May, 6d.; Nov., 6d.; Dec., 6d.; June, 6d. Total, 2s.

**ARIZONA COPPER.**—Output of copper as announced:—

Year to Sept. 30	1912-13				1911-12			
	Tons	...	...	...	Tons	...	...	...
Year to Sept. 30	17,050	...	...	...	18,075	...	...	...
Year to Sept. 30	1913-14				1912-13			
	Tons	...	...	...	Tons	...	...	...
Year to Sept. 30	19,380	...	...	...	17,650	...	...	...
Year to Sept. 30	1914-15				1913-14			
	Tons	...	...	...	Tons	...	...	...
Dec. qr.	3,605	...	...	...	4,635	...	...	...
March qr.	5,166	...	...	...	4,910	...	...	...
June qr.	5,645	...	...	...	5,202	...	...	...
July	1,695	...	...	...	1,560	...	...	...
Aug.	1,800	...	...	...	1,869	...	...	...
Total	17,931	...	...	...	18,176	...	...	...

\* "A portion of which is the result of the conversion of an accumulation of partially treated material."

Dividends per cent.—1908-09, 50; 1909-10, 50; 1910-11, 50; 1911-12, 65; 1912-13, June, 30; Jan., 25; 1913-14, June, 20; Jan., 15; 1914-15, June, 20.

**GLOBE AND PHENIX.**—Capital, £200,000 in 5s. shares.

Year ends	Tons Stps. Milled	Value		Mine Costs		Mine Profit		Price of Share end of Period
		£	Per Ton	£	Per Ton	£	Per Ton	
Dec. 31	72,933	481,497	132/0	129,863	35/7	351,634	96/5	1½
1912	40	76,051	500,971	131/8	147,043	38/8	353,928	93/0
1913	40	73,559	465,686	126/7	162,426	44/2	353,260	82/5
1915.								
Mar. qr.	17,447	105,530	120/11	42,718	48/11	62,812	72/0	1½
June qr.	18,753	96,008	102/4	43,723	46/7	52,285	55/9	27/6
July	6,288	31,994	101/11	14,418	46/0	17,576	55/11	1½xd
Aug.	6,245	33,168	106/3	15,168	48/5	18,000	57/10	1½

Dividends—Account 1911, 8/0. Account 1912, 7/0. Account 1913, total, 6/3. Account 1914, July, 1/6; Oct., 1/6; Jan., 1/6; Mar., 1/6; total, 6/0. Account 1915, July, 1/0.

## MISCELLANEOUS.

**KUALA SELANGOR RUBBER Co.**—Second interim dividend of 7d. per share, less tax.

**KURAU RUBBER ESTATE.**—Interim dividend of 15% (actual), less tax.

**LONDON JOINT STOCK BANK.**—A branch is now open at 26 High Street, Colchester, under the management of Mr. W. L. Manning.

**LONDON LIFE ASSOCIATION, LIMITED.**—The directors to-day filled the vacancy at the board occasioned by the death of Mr. George Frederick Pollock by the appointment of the Right Hon. Lord Penrhyn.

**NATIONAL AND FOREIGN SECURITIES TRUST.**—Final dividend at the rate of 5% per annum, tax free, making 5% for the year.

**NATIONAL BANK OF SOUTH AFRICA.**—A branch of this Bank has been opened at Riebeck Kasteel, Cape Province.

**NORTH CAUCASIAN OILFIELDS.**—Interim dividend on account of the year 1915 of 1s. per share, less tax, on Ordinary.

**NORTHERN GENERAL TRANSPORT Co.**—Interim dividend at rate of 5% per annum, less tax, on Ordinary.

**NOTTINGHAM MANUFACTURING Co.**—Dividend of 5% and bonus of 2½%, tax free, making 12½% for the year.

**OLDFIELD BREWERY.**—Dividend of 2%, less tax, for the year.

**PHILADELPHIA Co.**—Quarterly dividend of 1½% on Common stock.

**PHENIX ASSURANCE Co.**—Interim dividend of 3s. 6d. per share (less tax) in respect of the year 1915, payable November 1. Six months' interest (less tax) on the "Law Life" Debenture stock of the Company, and on the "Phoenix" (1911) Debenture stock will be payable on the same date.

**PRICE JONES.**—Interim dividend on the Preference shares at the rate of 2%, less tax, on Ordinary shares.

**RANGALLA TEA Co. OF CEYLON.**—Interim dividend of 5%, less tax.

**RIVER PLATE TRUST, LOAN AND AGENCY Co.**—Interim dividend of 9% on "A" shares and 3% on the "B" shares, less tax.

**ROYAL BANK OF IRELAND.**—Dividend at rate of 10% per annum for half-year, making 10% for the year.

**RUSSIAN PETROLEUM Co., LIMITED.** announce that they have received cabled advice from their Baku office that the balance of the loan from the Russian Government has now been paid off.

**SCOTTISH CEYLON TEA Co.**—Interim dividend of 10% (actual), less tax, on Ordinary shares.

**SELANGOR RUBBER Co.**—Second interim dividend of 5d. per share, less tax.

**SCHWEPES.**—Interim dividend at rate of 7% per annum, less tax, on Ordinary.

**SUNGEI BATU (MALAYA) RUBBER ESTATES.**—Interim dividend of 5% (actual), less tax.

**SUNGEI BULOH RUBBER Co.**—Interim dividend of 10%, less tax.

**SUNGEI KRUI RUBBER ESTATE.**—Interim dividend of 5%, less tax.

**TAPING RUBBER PLANTATIONS.**—Interim dividend at the rate of 3% per annum.

**TANJONG MALIM RUBBER Co.**—Dividend of 5%, tax free.

**TOMLINSON, HENRY.**—Interim dividend at the rate of 5% per annum, tax free, on Ordinary.

**UNITED FRUIT.**—Dividend of \$2 per share on the Common stock.

**UNITED TOBACCO Cos.**—Interim dividend of 6% on Ordinary (free of British tax).

**WINDSOR (F.M.S.) RUBBER ESTATE.**—Interim dividend of 2½% (actual), less tax.

**WINNIPEG ELECTRIC RAILWAY Co.**—Dividend at the rate of 2½% for quarter on capital stock.

# THE NATIONAL BANK OF SCOTLAND LIMITED

INCORPORATED BY ROYAL CHARTER AND ACT OF PARLIAMENT.

ESTABLISHED 1825.

Capital Subscribed, £5,000,000. Paid up, £1,000,000. Uncalled, £4,000,000.  
RESERVE FUND, £900,000.

## Head Office—EDINBURGH.

J. S. COCKBURN, GENERAL MANAGER.

GEORGE B. HART, SECRETARY.

London Office—37 NICHOLAS LANE, LOMBARD ST., E.C.

J. FERGUSON, Manager.

DUGALD SMITH, Assistant Manager.

Every description of Banking Business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; the collection of Dividends and Coupons whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of Remittances to all parts.

The Agency of Colonial and Foreign Banks is undertaken, and the Acceptances of Customers residing in the Colonies or elsewhere abroad domiciled in London are retired on terms which will be furnished on application.

The Officers of the Bank are bound to secrecy as regards the transactions of its Customers.



## BANK OF MONTREAL

Established in 1817.  
Capital Paid up, \$16,000,000.  
Reserve Fund, \$16,000,000.  
Undivided Profits, \$1,252,864.  
H. V. Meredith, Esq., President.  
R. P. Angus, Esq., E. B. Greenshields, Esq., Sir William Macdonald, Hon. Robert Mackay, Sir Thos. Shaughnessy, K.C.V.O., C. R. Bosner, Esq., A. Baumgarten, Esq., C. B. Gordon, Esq., H. R. Drummond, Esq., D. Forbes Angus, Esq., William McMaster, Esq.  
Head Office: Montreal.  
General Manager: Sir Frederick Williams-Taylor, LL.D. Assistant General Manager: A. D. Braithwaite, Esq.  
Branches and Agencies throughout Canada and Newfoundland; also at New York, Chicago and Spokane in the United States, and at Mexico City.  
LONDON OFFICES:

47 Threadneedle Street, E.C., and  
9 Waterloo Place, Pall Mall, S.W.

London Committee: Sir Thomas Skinner, Bart.,  
A. Macnider, Esq.  
Manager: George Cyril Cassels.

**Financial Agents of the Government of the Dominion of Canada.**

The Bank undertakes monetary business with all parts of Canada, Newfoundland and the United States, and issues Sterling and Currency Drafts and Cable Transfers.

## THE ROYAL BANK OF CANADA.

Capital Authorised - \$25,000,000  
Capital Paid up - \$11,560,000  
Reserve Funds - \$13,000,000  
Aggregate Assets - \$180,000,000

Head Office—MONTREAL.

Sir HERBERT S. HOLT, E. L. PEASE,  
President, Vice-President and General Manager.

340 Branches in Canada and Newfoundland.

28 Branches in Cuba, Porto Rico and Dominican Republic.

BRANCHES IN BRITISH WEST INDIES.

ANTIGUA—St. Johns; BAHAMAS—Nassau; BARBADOS—Bridgetown; DOMINICA—Roseau; GRENADA—St. George's; JAMAICA—Kingston; ST. KITTS—Basseterre; TRINIDAD—Port of Spain; San Fernando.

Branch in British Honduras—BELIZE.

Branches in British Guiana—GEORGETOWN, NEW AMSTERDAM, ROSE HALL.

New York Agency, Corner William & Cedar Streets.  
LONDON OFFICE:

2 Bank Buildings, Princes Street, E.C.  
T. R. WHITLEY, Manager.  
JAMES MACKIE, Joint Manager.

## The Merchants' Bank of Canada.

Established 1864.

Paid-up Capital (\$7,000,000) £1,438,356  
Reserve Fund & Undivided Profits (\$7,245,140) £1,488,727

Head Office: Montreal.

PRESIDENT—SIR H. MONTAGU ALLAN, C.V.O.  
VICE-PRESIDENT—K. W. BLACKWELL.  
GENERAL MANAGER—E. F. HEBDEN.

This institution has 209 Branches and Agencies extending from the Atlantic to the Pacific (92 being in the Western Provinces).

Every facility offered to the business of immigrants; Savings Department at all Branches, where interest is allowed at 3 per cent. per annum.

Drafts sold available in any city or banking town in the United Kingdom or United States.

Agents in Great Britain:

The London Joint Stock Bank, Limited.  
The Royal Bank of Scotland.

They issue Letters of Credit, Drafts and Cable Transfers available at any banking point in Canada.

## Ernesto TORNQUIST & Co.

LIMITADA,

BUENOS AIRES.

Established 1830.

Oldest Business Establishment in the River Plate.

CAPITAL FULLY PAID UP AND RESERVES,  
£2,325,036.

GENERAL FINANCIAL, BANKING  
AND COMMERCIAL BUSINESS.

## The BANK OF TAIWAN, LTD.

(Incorporated by the Special Charter of the Imperial Japanese Government, 1889.)

Head Office: TAIPEH, FORMOSA.

BRANCHES:—Tokio, Kobe, Osaka, Amoy, Canton, Foochow, Hong-Kong, Kiukiang, Shanghai, Singapore, Swatow, and every Important City in Formosa (Taiwan), &c.

The Bank is authorised TO ISSUE ITS OWN NOTES in Formosa, conducts GENERAL BANKING AND EXCHANGE BUSINESS, has CORRESPONDENTS at principal commercial centres, and offers SPECIAL EXCHANGE FACILITIES for Japan, Formosa, China and the Straits Settlements.

London Office: 58 OLD BROAD STREET, E.C.

## THE MECHANICS AND METALS NATIONAL BANK

OF THE CITY OF NEW YORK.

ESTABLISHED 1810.

CAPITAL (FULLY PAID) ... \$6,000,000  
SURPLUS AND UNDIVIDED PROFITS ... \$9,000,000

THIS BANK RECEIVES ACCOUNTS OF BANKS, BANKERS, CORPORATIONS, FIRMS, AND INDIVIDUALS ON FAVOURABLE TERMS, AND GRANTS TO ITS DEPOSITORS EVERY FACILITY CONSISTENT WITH PRUDENT AND CONSERVATIVE BANKING METHODS. CORRESPONDENCE INVITED.

FOREIGN DEPARTMENT.  
Finances Exports and Imports, buys and sells Foreign Exchange, Telegraphic Transfers, &c., and makes Collections on all parts of the world.

LONDON BANKERS:  
LONDON JOINT STOCK BANK LTD.  
LONDON CITY AND MIDLAND BANK LTD.

## THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital, £1,000,000. Subscribed Capital, £625,000.

Paid-up Capital ... £500,000

Reserve Fund ... £100,000

Uncalled Capital ... £1,010,000

Reserve Liability of Shareholders ... £25,000

£1,760,000

London Office—11 LEADENHALL ST., E.C.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cabled.

Deposits received for fixed periods at rates to be ascertained on application.

PERCY ARNOLD, Manager.

## THE EASTERN BANK, LIMITED.

Head Office:

4 CROSBY SQUARE, LONDON, E.C.

Branches:

BOMBAY, CALCUTTA, and BAGDAD.

Authorised Capital ... £1,500,000

Called up ... £600,000

Reserve Fund ... £55,000

Reserve Liability of Shareholders £900,000

BOARD OF DIRECTORS.

The Right Hon. LORD BALFOUR OF BURLEIGH, K.T. (Chairman).

Sir JACOB E. SASSOON, Bart. EMILE FRANCOIS, Esq.

J. C. GEORGES BOUILLAT, Esq. J. S. HASKELL, Esq.

G. BROMLEY-MARTIN, Esq. J. LEIGH WOOD, Esq., C.M.G.

The Bank transacts every description of Banking and Agency business in connection with India on terms to be ascertained on application. Deposits are received for 1, 2, or 3 years at 4½ per cent. per annum, and on current accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances.

P. H. SUTTON, Manager.

## BANCO ESPAÑOL DE LA ISLA DE CUBA.

ESTABLISHED 1866.

HEAD OFFICE - HAVANA, CUBA.

Capital, Reserve and Profits } \$8,808,891.79

Assets - \$39,077,630.77

\$5 equals approx. £1.

41 BRANCHES THROUGHOUT CUBA.

Special attention paid to the collection of Foreign Drafts.

LONDON AGENTS:

SWISS BANKVEREIN.

KLEINWORT, SONS & Co.

LLOYDS BANK LTD.

## THE FOURTH STREET NATIONAL BANK, PHILADELPHIA.

CAPITAL FULLY PAID ... \$3,000,000  
SHAREHOLDERS' LIABILITY ... \$3,000,000  
SURPLUS AND PROFITS ... \$6,880,000

President—E. P. SHANBROOKER.

Vice-President—JAMES HAY.

Vice-President—FRANK G. ROGERS.

Cashier—R. J. CLARK.

Assistant Cashier—W. A. BULKLEY.

Assistant Cashier—W. K. HARDT.

Assistant Cashier—C. F. SHAW, Jr.

Bills of Exchange issued and Telegraphic Transfers made to all parts of the world. Letters of Credit issued in Sterling, available throughout the world, in Dollars throughout the United States, Canada, Mexico, the West Indies, &c.

Travellers' Checks issued. Collections made everywhere. Act as Agents for Foreign Banks to draw on the United States. Correspondence solicited.

Cable Address—London Agents—  
"FOURBANK" | SAMUEL MONTAGU & CO.  
LONDON CITY AND MIDLAND BANK, LTD.  
LLOYDS BANK LTD.

## NATIONAL BANK OF INDIA LIMITED.

Bankers to the Government in British East Africa and Uganda.

HEAD OFFICE:

26 BISHOPSGATE, LONDON, E.C.

BRANCHES:

Calcutta	Cochin (S. India)	Newera Eliya	
Bombay	Chittagong	Zanzibar	
Madras	Rangoon	Mombasa	
Karachi	Mandaly	Nairobi	British
Cawnpore	Aden and	Nakuru	East
Lahore	Aden Point	Kisumu	Africa
Amritsar	Colombo	Entebbe	
Delhi	Kandy	Kampala	Uganda
Tuticorin		Jinja	

SUBSCRIBED CAPITAL ... £2,000,000

PAID-UP CAPITAL ... £1,000,000

RESERVE FUND ... £1,175,000

LONDON BANKERS—Bank of England; National Provincial Bank of England, Limited; National Bank of Scotland, Limited.

The Bank conducts every description of Eastern Banking business.

Deposits received for fixed periods at rates to be obtained on application. Interest payable June 30 and December 31.

Current accounts are opened, and provided they do not fall below £200 interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

## THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.

Registered in the Transvaal.

(With which are incorporated the Bank of Africa Ltd., and the Natal Bank, Ltd.)

Bankers to the Government of the Union of South Africa in the Transvaal, Natal and Orange Free State. Bankers to the Imperial Government in South Africa.

LONDON OFFICES—Circus Place, London Wall, E.C., and 117 Cannon Street, E.C.

Subscribed and Paid-up Capital ... £2,782,420

With power to increase to ... 4,000,000

Reserve Fund ... 525,000

Branches and Agencies in all the principal towns of South Africa.

Agents at Berlin, Hamburg, Paris and New York.

Deposits received. Current Accounts opened and all descriptions of Banking business connected with South Africa and the Belgian Congo transacted on terms which may be ascertained on application.

D. CUNNINGHAM, Manager.

## THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.

Capital Authorised ... £1,500,000

Capital Issued ... 1,125,000

Capital Paid Up ... 562,500

Reserve Fund ... 500,000

Branches:

INDIA, BURMAH, CEYLON STRAITS SETTLEMENTS & CHINA.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts bank and agency business in connection with the East, on terms to be had on application.

Deposits received for one year at 4½ per cent. per annum. Rates for other periods on application. On current accounts interest is allowed at 2 per cent. per annum or daily balances.





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The Statist

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